

Travis & Arnold
Timber, Building Materials, Heating and Plumbing Equipment for the Construction and Allied Trades. Northampton S2333

High & Dry
Really Dry Gin

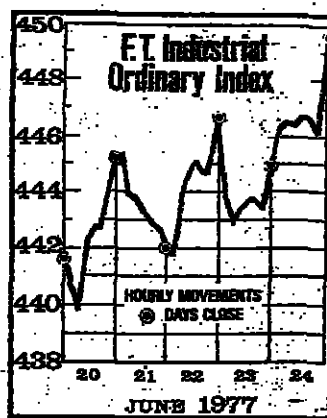
NEWS SUMMARY

GENERAL

Egypt denies Russian accord
The Egyptian Government said it had made no progress in negotiations with Moscow...

BUSINESS

Equities up 8.0 over the week
EQUITIES were firm, although trading was again on a small scale. The FT 30 Share Index rose 4.7 to 449.6, up 8.0 on the week but a mere 0.2 ahead on the Account.



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Ister coalition breaks up
Harry West's Official Unionist coalition led by the Rev. Ian Paisley and Mr. Robert Baird after several months of bickering.

Duchess of Kent expects baby
The Duchess of Kent, 44, is expecting her fourth baby in February...

Security probe
The Ministry of Defence has ordered an inquiry into how a ransom allegedly boarded a submarine...

Zambia digs in
President Kenneth Kaunda ordered Zambia along the borders with Rhodesia and South Africa to start digging trenches...

Whale quota cut
The North Pacific sperm whale quota for next year has been cut by nearly 90 per cent...

to mere visit
A German called to a blaze in London found that the fire was under control...

accine drive
The benefits of whooping cough vaccine outweigh the risks, sports the Joint Committee on Vaccination and Immunisation.

Briefly...
Extra police were called in to control the crowd when the estate met Elton John...

SHARE PRICE CHANGES YESTERDAY

Table listing share price changes for various companies like Malmsey, Plessey, Porter Chadburn, etc.

Reyrolle Parsons, Clarke Chapman go on with merger

Clarke Chapman, and Reyrolle Parsons, the Tyneside mechanical and electrical engineering companies, yesterday announced plans to merge. The companies had a combined turnover last year of £366m., with 35,000 workers.

Booth proposes inquiry into Grunwick dispute

MR ALBERT BOOTH, the Employment Secretary, told both sides in the Grunwick union recognition dispute yesterday that he proposed to set up an immediate inquiry under an independent mediator.

Ford workers reject formula for ending 13-day strike

A MASS MEETING of car workers at a standstill because of a 13-day old strike last night rejected a formula for a return to work.

BP price up 14p on signs of offer's success

THE SHARE PRICE of British Petroleum jumped by 14p to 912p yesterday as demand built up from U.S. and other buyers.

Europe poll Bill welcomed by Liberals

THE EUROPEAN Assembly elections Bill, introduced in the Commons yesterday after protracted Cabinet argument, was welcomed by the Liberals as a "great advance" which would help to sustain their pact with the Government.

Forecasts

The price for the 25 per cent of the offer to be withdrawn for sale to American investors will also be fixed on Monday.

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Nominations

Scotland would be given eight seats, Wales four—an allocation attacked as "derisory" by Mr. Dafydd Wigley, Plaid Cymru's Eisteddfod spokesman—and Northern Ireland three.

Features

ON OTHER PAGES
Appointments, Labour News, Bridge, Chess, Letters, etc.

Only SAA fly non-stop to South Africa
South African Airways
Where no-one's a stranger

The week in London and New York

Quiet end to Account

ONLOOKER

Uncertainties over a Phase Three settlement left market business extremely thin at the start of the week and margins were the lowest recorded this year.

Some confidence, however, was restored in the gilt market on Wednesday following the announcement that the Variable Rate Treasury Stock had run out. This left gilt up to a better and the movements spread later into the equity market. But with substantial funds tied up in the BP issue margins were again below the previous week's depressed level.

After this brief rally the market once again settled down to recent patterns with little interest in either equities or gilts and the Account finished on a very quiet note although BP was active ahead on the allotments next week.

CCA rebels

The week brought the surprising news that the two Burgess Hill accountants who are leading the revolt against the imposition of compulsory current cost accounting (CCA) may end up defeating the Council of the English Institute of Chartered Accountants at a special meeting on July 6.

So far well over 20,000 of the Institute's 60,000 plus members have lodged proxies, and a total vote of unprecedented proportions is now on the cards. Unfortunately for the Institute Council, which supports the implementation of CCA, the votes are running consistently 5 to 4 in favour of the rebels.

The prospect of defeat on such a major matter is causing confusion and panic at the Institute's Moorgate Place headquarters, and informal consultations are thought to have been held with Government officials.

Whatever happens at the meeting, it seems inevitable that the affair will affect the programme for implementation of CCA. Regardless of what the Morphet steering group is prepared to admit to at this stage, another exposure draft of new and simplified proposals will almost certainly have to be published. When, and in what circumstances any new proposals are released are matters which may only become clear in the months to come.

Electrical majors

Results from two electrical majors this week have highlighted the contrasts in this sector. Plessey has been having

a tough time in telecommunications because of the cutback in Post Office requirements; the pre-tax cost of factory closures was probably some £16m. in 1976/77. Meanwhile Racal has made great strides forward in electronics and pre-tax profits are up 67 per cent.

Although the two areas of telecommunications and electronics are in such different states of health, rationalisation has been proposed for both of them on the grounds that bigger and fewer companies with the backing of the Government would do better in international competition.

A report commissioned by the Government suggested it for telecommunications. The stimulus to action, as far as politicians are concerned, being the stream of redundancies as labour-saving methods are introduced. In electronics, Mr. Ernie Harrison of Racal is the prime mover; he wants to create a "second force" in the electronics industry, second that is, to GEC.

However, the chances for immediate action are low. The Government is enfeebled and anyway too involved currently in the problems of GEC and Reynolds Parsons. Racal has recently bought Milgo in the U.S. and cannot be expected to make more major acquisitions until after a period of digestion. Meanwhile the stars of Plessey and Racal are crossing each other as one falls and the other rises. The market capitalisation of Racal has already passed Plessey and its profits are poised to follow suit this year.

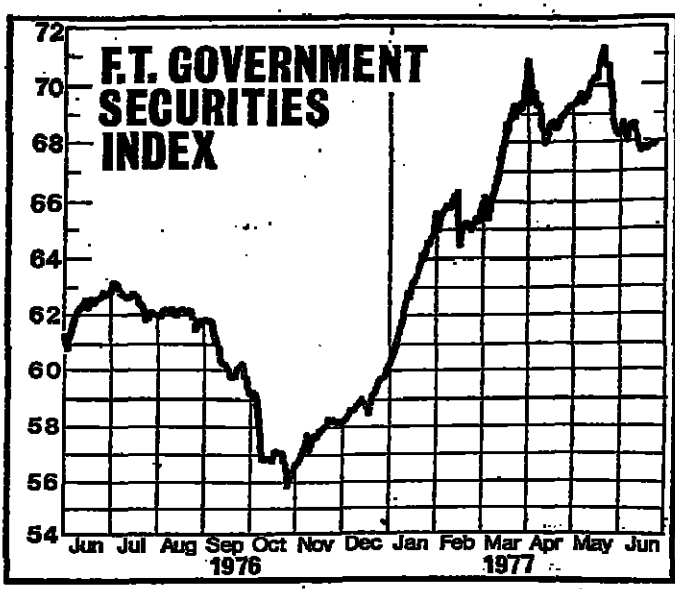
BAT expansion

British American Tobacco's £22m. purchase of the overseas interests of U.S. tobacco group Lorillard, will give only a minor fillip to total estimated profits of between £400m.-£410m. this year. The company forecasts an annual contribution from the new interests of £15m.—possibly close to £10m.—net of financing costs. And this year there will be only three months' contribution.

Nevertheless, despite BAT's expressed diversification aims, this was an opportunity not to be missed. Production of the new brands will, for instance, lift output at Brown and Williamson—its U.S. subsidiary—from around 85 per cent. to perhaps 90 per cent. of capacity thereby reducing overall average unit costs, and sharply improving marginal profitability.

TV contractors

It has been a week for good news from the TV contracting sector. Anglia reported a 36 per cent. increase in interim profits and ATV followed up with a massive two-thirds jump for the year to £11.2m. Meanwhile the May advertising



More importantly, the revenue figures were released showing a 23 per cent. rise for the month, making an increase of a third for 1977 to date.

The sharp increase in ATV's profits is obviously helped by a good rise from contracting—probably around 33 per cent. to £44m.—but the main feature has been film production. This is a volatile sector by nature, but even so it is possible to project further growth for the current year following the jump from £1.1m. to £2.1m. in 1976/77.

The latest in the Panther series, "The Pink Panther Strikes Again" is now making a significant contribution to profits and there is still some mileage left from the earlier Panther films. The television series, "Muppet Show" should show its full potential and "The Life of Jesus" will soon be past the point of recovering its costs. Already outside projections are going for profits growth of a quarter this year.

Equally significant is ATV's improving balance sheet. A joint venture with General Cinema Corporation in the U.S. has meant that film financing costs no longer appear on ATV's balance sheet. Borrowings dropped from £24m. to £10m. during the 12 months to last March and by the end of this year the group could be showing a net cash balance. Then ATV will join the ranks of the other television companies which are sitting on cash surpluses. LWT, whose shares were introduced to the market this week, has cash and investments of £11.1m. and a surplus of almost 80 per cent. of its market capitalisation. The problem for many of the contracting companies now is to find a suitable outlet for their cash.

TOP PERFORMING SECTORS IN FOUR WEEKS FROM MAY 26

Sector	% change
Newspapers, Publishing	+ 2.7
Property	+ 2.4
Toys & Games	+ 2.1
Machine & Other Tools	+ 0.3
Electronics, Radio, TV	+ 0.2
Banks	- 0.7

THE WORST PERFORMERS

Sector	% change
All-Share Index	- 3.3
Investment Trusts	- 6.2
Merchant Banks	- 7.4
Shipping	- 8.1
Office Equipment	- 8.7
Tobaccos	- 8.8
Wines & Spirits	- 9.4

Imperial Tobacco will continue to hold the licence to market Kent in the U.K. until it runs out in a few years. So overall the purchase is a peripheral if sound one.

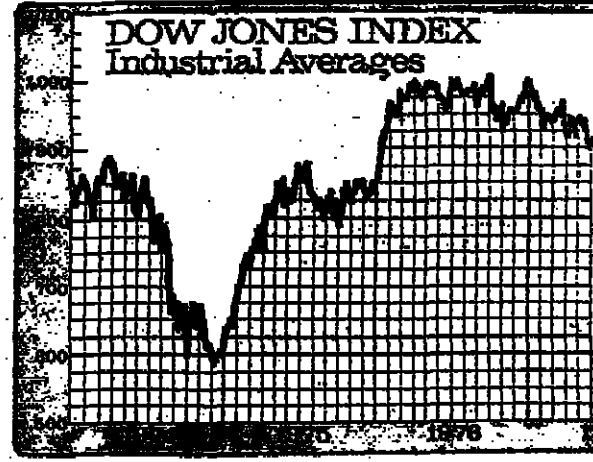
Cautious advance

BY JUREK MARTIN NEW YORK, June 24.

THE GREAT question on Wall Street this week was whether the Stock Market was in the throes of launching a major summer rally to match the flawless weather.

Such news as there was in the background of a thin week appeared to justify the bulls' tentative confidence. Consumer prices, which had been rising at a ten per cent. per annum rate in the first four months of the year, went up by a more modest 0.6 per cent. in May. Retail sales showed a nice pick up, while car sales continued to move ahead with surprising vigour after a fall off in the spring. The market also drew encouragement from a Government report that factory orders for durable goods, which had dropped off in April, had risen again in May.

What was noticeable about this week was that volume increased appreciably, an ingredient that had been missing in the market's recent cautious



advances. On Monday 22.9m. shares changed hands on the Street. The market was in the throes of launching a major summer rally to match the flawless weather.

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Mining Help from industry

BY PAUL CHEESERIGHT

IT MAY have been the late spring or it may even have been a preoccupation with the British Petroleum share sale, but this week the markets have failed to seize a natural opportunity to revive the tired round of a Charter Consolidated bid for Selection Trust.

The opportunity was natural because both these London-based mining finance houses, linked together by virtue of Charter's 25.1 per cent. stake in Selection, have in their different ways been performing for the market. Selection produced some buoyant annual figures and Charter produced a cautious annual report.

There was no doubt which the market preferred. Selection shares have this year slipped down from a high point of 50p. They began the week at 40p. and ended it at 42p. Charter started the week at 10p and ended at 10p.

Odd alliance

As for Charter's 180p a share cash bid for MK Refrigeration, valued at £12.7m., that was shrugged off. If it seemed at first sight an odd alliance, then a rationale was quick to appear. Charter was, after all, only doing what its parent Anglo American Corporation of South Africa, has done very successfully: to marry mining to a range of industrial interests.

MK is in the bar cooling and commercial refrigeration business, while Charter already has complementary interests through its ownership of Heatrae-Sadia.

Selection also has substantial industrial interests and they played a significant part in raising the net profits for the year to March 31 to £10.48m. from £6.07m. in 1975-76. The increase permitted a higher dividend. The final 11.72p making a total of 15.2p against 15.2p the year before.

Helping the Selection operating profits were the first contributions from the Smead civil engineering and coal group, which provided £3m., and revenue of £1.8m. from participation in a Dutch North Sea gas venture. Income from Heereema was maintained at £4.1m., while Amari, the steel

the day. But on the following two days this gain was partly—and grudgingly—surrendered. However, with the exception of Wednesday, stocks advancing in price outnumbered losers and more new yearly highs were set than lows. To-day the market turned steadily upwards, again approaching the 930 level, leaving a test for next week.

If there was a weakness in the market it lay in the blue chip sector, largely because of general fears that these companies would be most affected by any economic slowdown in

the second half of the year. Among the more active and grudgingly-surrendered chips in the week were Steel, AITC, and Genes. The latter dropping 52 cents on Thursday in the company announcement of a second quarter earnings year might be no higher than those of the same period.

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Provided costs can be kept down and production tin mines are currently profitable, Saint Pir example, has mines in Malaysia and in March 31 received a price of about £4,750 per tonne. The company also has building subsidiary doing well.

But tin was the major problem in the very sharp rise in profits, announced by them in 1975-76. They had been the declared final dividend of 1.5p capital increased by one scrip issue.

This follows an int 0.625p net on the old Had the capital not created the total net would have been 1.325p in 1975-76.

The dividend increase permitted because of the recovery situation while Saint Piran is another good year. They were 1p higher year 53p.

MARKET HIGHLIGHTS OF THE WEEK

Price yesterday	Change on week	1977 High	1977 Low	Notes	
F.T. Ind. Ord. Index	449.6	+ 8.0	477.4	357.6	Quiet awaiting BP sale result
A.S. Electronic	113	+14	117	56	Continuing bid speculation
Barclays Bank	270	+10	285	228	Removal from Arab black list
Beaverbrook A	59	+15	60	32	Possible bid alternatives
British Steam	77	+ 7	80	54	Good results & scrip issue
Concrete	112	+ 8	112	39	Hopes of increased NCI offer
Electrocomponents	166	+18	168	88	Good preliminary results
Gillett Bros.	196	+11	198	155	Capit. increased by rights issue
Gomme Hldgs.	73	+29	73	40	Bid approach
Lipton (L.)	96	+22	96	23	Bid talks with Lax Service
Lloyds & Scottish	97	+ 5	104	57	Bid speculation
Lyon (J.)	69	+ 9	91	47	Hopes of dividend maintenance
M.K. Refrigeration	174	+52	180	60	Agreed bid from Charter Cons.
Newman's Tubes	165	+42	167	48	Bid from Dugdale Steels
Powell Duffryn	168	+13	168	117	Impressive annual results
Purbeck	82	+ 5	85	38	Single bid situation
Racal Electronics	400	+40	400	236	Good annual figures

U.K. INDICES

Average week to	June 24	June 17	June 10
FINANCIAL			
Govt. Secs.	67.88	68.21	68.25
Fixed interest	67.93	68.31	68.96
Indust. Ord.	445.7	447.7	450.6
Gold Mines	110.4	109.2	117.4
Dealings mtd.	4,288	4,682	4,793
FT ACTUARIES			
Capital Gds.	177.32	178.01	178.89
Consumer (Durable)	167.43	162.81	165.39
Cons. (Non-Durable)	164.73	166.69	167.92
Ind. Group	177.20	178.52	179.43
500-Share	203.03	203.67	205.02
Financial Gp.	136.95	137.25	136.33
All-Share	185.25	185.94	187.45
Red. Debs.	54.80	55.29	55.54

TV/Radio

BBC 1

9.00 a.m. Chigley, 9.15 These are the Days, 9.35 Screen Test, 9.50 Dastardly and Muttley, in their flying machines, 10.00 Flash Gordon's Trip to Mars, 10.40 Charlie Chaplin in "The Vagabond", 11.10 Buzzin' Around, 11.30 Bugs Bunny, 11.55 The Reluctant Astronaut (film), 1.10 p.m. Weather, 1.10 Wimbledon Grandstand: Rugby League (130) The World Cup, Australia v. Great Britain, Athletics (135) The Goldenplay "Poly" Marathon; Wimbledon 1977 (150-250, 3.10-5.30); The Irish Sweeps Derby (250); 5.50 Final Score, 6.00 News, 6.10 Sports/Regional News, 6.15 Tell Me More, 6.45 Saturday Night at the Movies; "Valley of the Kings", starring Eleanor Parker and Robert Taylor, 8.10 Seaside Special, 8.30 Cannon, 9.45 News, 9.55 Supernatural, 10.45 Make the Music Speak, starring Len Martell with the New Seekers, 11.30 Ben Hall, All Regions as BBC 1 except at the following times—

BBC 2

6.40 a.m. 4.45 p.m. Open University.

ANGLIA

9.25 a.m. Manned, 9.40 The Yellow House, 10.10 Saturday Morning Film, 10.15 Important Person, starring James Robertson, Justice and Leslie Phillips, 10.35 The Muppet Show, 10.55 Sports, 11.05 The Muppet Show, 11.30 Saturday Movie, "House of Secrets", starring Michael Craig, 11.55 News, 12.15 Saturday News, 12.35 News at Ten, 1.15 The Dark Man, starring Edward Underdown and Maxwell Reed, 1.50 p.m. Weather, 1.50 Wimbledon Grandstand: Rugby League (130) The World Cup, Australia v. Great Britain, Athletics (135) The Goldenplay "Poly" Marathon; Wimbledon 1977 (150-250, 3.10-5.30); The Irish Sweeps Derby (250); 5.50 Final Score, 6.00 News, 6.10 Sports/Regional News, 6.15 Tell Me More, 6.45 Saturday Night at the Movies; "Valley of the Kings", starring Eleanor Parker and Robert Taylor, 8.10 Seaside Special, 8.30 Cannon, 9.45 News, 9.55 Supernatural, 10.45 Make the Music Speak, starring Len Martell with the New Seekers, 11.30 Ben Hall, All Regions as BBC 1 except at the following times—

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ATV MIDLANDS

9.15 a.m. Wake Up to Yoga, 9.45 a.m. Home for the Future, 10.10 The ATV Saturday Morning Picture Show, 10.30 The Muppet Show, 10.55 Sports, 11.05 The Muppet Show, 11.30 Saturday Movie, "House of Secrets", starring Michael Craig, 11.55 News, 12.15 Saturday News, 12.35 News at Ten, 1.15 The Dark Man, starring Edward Underdown and Maxwell Reed, 1.50 p.m. Weather, 1.50 Wimbledon Grandstand: Rugby League (130) The World Cup, Australia v. Great Britain, Athletics (135) The Goldenplay "Poly" Marathon; Wimbledon 1977 (150-250, 3.10-5.30); The Irish Sweeps Derby (250); 5.50 Final Score, 6.00 News, 6.10 Sports/Regional News, 6.15 Tell Me More, 6.45 Saturday Night at the Movies; "Valley of the Kings", starring Eleanor Parker and Robert Taylor, 8.10 Seaside Special, 8.30 Cannon, 9.45 News, 9.55 Supernatural, 10.45 Make the Music Speak, starring Len Martell with the New Seekers, 11.30 Ben Hall, All Regions as BBC 1 except at the following times—

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BBC 2

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YORKSHIRE

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TV ratings, week ended June 19

1. CORONATION STREET (BBC1) 7.50
2. WHAT'S ON NEXT (THAMES) 7.50
3. CROSSROADS (BBC1) 7.50
4. CROSSROADS (ITV) 7.50
5. CROSSROADS (ITV) 7.50
6. CROSSROADS (ITV) 7.50
7. CROSSROADS (ITV) 7.50
8. CROSSROADS (ITV) 7.50
9. CROSSROADS (ITV) 7.50
10. CROSSROADS (ITV) 7.50
11. CROSSROADS (ITV) 7.50
12. CROSSROADS (ITV) 7.50
13. CROSSROADS (ITV) 7.50
14. CROSSROADS (ITV) 7.50
15. CROSSROADS (ITV) 7.50
16. CROSSROADS (ITV) 7.50
17. CROSSROADS (ITV) 7.50
18. CROSSROADS (ITV) 7.50
19. CROSSROADS (ITV) 7.50
20. CROSSROADS (ITV) 7.50

YOU'RE OVER 50 FREE!

SELECTION TRUST

EARNINGS PER SHARE

DIVIDENDS PER SHARE

SHARE PRICE

BBC Radio London

London Broadcast

Capital Radio

CHESS SOLUTION

Solution to Position

Solution to Problem

Joynsons

Your savings and investments

Self-employed benefit dilemma

BY ERIC SHORT

THE INTRODUCTION of the new State pension scheme next April has been heralded as a milestone in pensions history, but it will make no difference whatever to the self-employed. They will still pay the same rates of contribution—Class 2 and Class 4—and qualify for the basic rate pension only. If they want an adequate pension when they retire, they will have to rely on making their own provision with a life company. Therefore, the recent announcement from National Provident Institution, a leading life company in this field, that it is cutting its vesting bonus rate by nearly 10 per cent from July 1 must come as a shock.

This cut will mean that all self-employed with NPI retiring on or after this date will get a correspondingly lower pension compared with what they would have got had they retired earlier this year. Pensions already being paid are not affected. To give NPI its due, it increased the vesting bonus rate from 45 to 60 per cent at the end of last year to reflect the high interest rate levels current at the end of 1976 and it always used the 45 per cent rate in quotations to policyholders. The present cut reflects the fall in interest rates over this year and NPI investors have been getting an extra "bonus" if they retired this year.

The action of NPI does emphasise one important feature of self-employed pensions that tends to be overlooked as far as traditional with-

profit contracts are concerned. The ultimate pension paid depends very much on the level of interest rates at the time of retirement. Since the general trend of interest rates until this year has been a steady rise with only very temporary falls, pension levels have tended to rise so that an investor retiring at a certain time received a higher pension than one who had retired earlier in similar circumstances.

But now that interest rates have fallen substantially over a comparatively short period, the reverse side of the coin is shown and NPI has cut pension levels for the first time since self-employed pensions were launched more than 20 years ago. It has, however, come at a time when inflation is still running at a rate of 16 per cent, not a propitious time for reductions.

This situation is in complete contrast with pensions paid to employed persons, where the pension paid is quite independent of interest rate levels. It is the employer who has to bear the cost of adverse market movements.

But this dependence on interest rates should be obvious once investors consider the structure of a self-employed pension contract. Basically, the contributions are invested in a fund and, when the investor retires, the cash sum accumulated is used to purchase an annuity. All traditional with-profit plans do is to guarantee a minimum accumulation rate and a basic annuity rate. Since interest

rates and annuity rates are well above the guaranteed levels, which naturally have been pitched conservatively, pensions are dependent on current investment and interest conditions.

NPI is not the only life company to have reduced pension levels this year. A quick phone round reveals that most other life companies have also reduced pensions this year, without making any announcement. Sun Alliance and London also increased its vesting bonus at the end of 1976 by 5 per cent, and then reduced it to the previous level in March this year.

Most life companies avoid making specific cuts in bonus rates by actually accumulating the contributions and purchasing an annuity, so that when annuity rates change, the pension level automatically changes. But such changes occur more frequently and are not quite so drastic as the cuts made by NPI and, to a lesser extent, by Sun Alliance.

Nevertheless, this does highlight a flaw in the system of providing self-employed pensions that needs to be considered further. Inflation remains at high levels and the self-employed would like to see pension levels climb steadily in unison. The life assurance industry has not yet come up with the answer to inflation—perhaps there isn't one until inflation-proofed investment becomes available. But something should be done to ensure that the self-employed do get an adequate pension.

Filling the State Pensions Gaps

BY ERIC SHORT

COMPANIES ARE now going through the procedures of informing their employees whether they intend to contract out of the new State scheme when it comes into operation next April, or to stay in. Two weeks ago, I explained what staying in the State scheme would mean to individuals in terms of pension provision and I pointed out some of the deficiencies in terms of benefit provision.

Briefly, the new two-tiered State scheme provides relatively low pensions as a percentage of final salary for older employees, simply because only service from 1978 counts towards pension. The higher paid also suffer in the amount of ultimate pension paid because of the ceilings placed on pensionable earnings. Similar shortcomings apply to the widow's pension, but in addition there is a gap in qualification so that if a woman is widowed at the wrong age and in the wrong circumstances she gets no pension at all.

Employees being "contracted-in" to the State scheme therefore need to check that the ultimate overall pension paid will be adequate compared with their salary before retirement. For many employees this will mean the company making some topping-up arrangements through a company pension scheme.

If the company has gone fully into pension provision for its employees, it should have set out a target level for overall pension provision for each employee and then arranged for properly integrated benefits from both State and company scheme to achieve that target, with the company scheme making up the difference.

But a decent level of pension can be arranged by setting up a company scheme that provides pensions at the rate of 1-100ths of salary for each year of service so that 40 years' service would qualify for a pension of

40/100ths, that is 2/5ths of salary. Combined with the full State earnings-related pension of 25 per cent of earnings, this gives an employee with 40 years' service a pension of about 65 per cent of salary. It is difficult to be dogmatic, since the State pension is based on average salary over the best 20 years revalued for inflation, whereas the company scheme is usually based on final salary. Adjustments can be made to the method of accrual of company pension so that the lower-paid employees do not receive a pension higher than their earnings.

But the main advantage of setting up this company scheme is that provision can be made for service before 1978 in calculating the pension. This will meet the problems of older employees with fewer than 20 years' service. The main advantage of company over State pension provision is its flexibility and the older employees should ensure that in any pension negotiation adequate past service credit is provided. It may mean paying higher contributions, but that is only fair and reasonable.

The State pension may well be adequate for many employees, but there are still other gaps in the benefit structure of the new State scheme, where payment of capital sums is virtually non-existent. The current value of the death grant is a derisory £30, while there is no capital payment at

Years of Service	Lump sum payable as proportion of final salary
1	3/80
2	4/80
3	5/80
4	12/80
5	15/80
6	18/80
7	21/80
8	24/80
9	30/80
10	36/80
11	42/80
12	48/80
13	54/80
14	63/80
15	72/80
16	81/80
17	90/80
18	99/80
19	108/80
20	120/80

tends to adopt a bird-in-hand philosophy and prefers capital. Occupational pension schemes provide both lump sum benefits and widows' pensions on the death of the employee before retirement. When the time to retire arrives, the employee has the option of commuting part of his pension for cash. One very large company scheme, covering both clerical and manual workers has found that 80 per cent of employees take cash, with a subsequent lower pension when they retire.

It is quite straightforward for the employer to remedy this deficiency, even if he does not intend to top-up the pension provision. Several life companies are now marketing a group scheme for employers that provides capital benefits on death before retirement or when the employee reaches retirement. The death benefit takes the usual form of a multiple of salary at the date of death—up to the revenue limit of four times salary—irrespective of length of service. But the lump sum at retirement has to be calculated on years of service—3/80ths of salary for each year of service with a maximum sum of 1 1/2 times salary. The revenue will permit the accrual rate to be accelerated after eight years so that the maximum can be paid after 20 years. The table shows the level permitted, so

employers can be generous to some longer serving employees. Employers may have decided not to opt out of the State scheme because they are not convinced that the level of investment returns will allow company schemes to remain viable. They may have decided to stay because they are too small or simply because they cannot be bothered. Whatever the reason, reliance on the State, despite its improvements over the present system, will still leave some employees with inadequate benefits. Topping-up is necessary and employees should check what is being done for them in this respect.

Freedom

THIS WEEK'S decision by the TUC General Council that improvements in pension schemes should be able to go ahead after July 31 comes just in time for pension negotiators to be able to discuss improved pension benefits in time for implementation next April. Up till now, only improvements necessary to conform with minimum contracting-out provisions have been allowed and this has prevented discussion on obtaining adequate pension and widows' pension benefits based on total service rather than future service. The Government should endorse this decision.

The problems of switching

IF AN investor wishes to get the best out of his investment holdings then he must be prepared to switch investment funds at the appropriate time. Staying in the same investment media means that the investor ride the falls as well as the rises and the whole object is to avoid the falls as far as possible. There are, however, two problems in adopting this approach. One is to know when to switch and the other is the time and expense involved.

Life companies and investment groups can do nothing about the former, but they are actively encouraging investors by making it comparatively easy and relatively inexpensive to switch. This is done by launching a flexible bond where the

investor has a choice of fund into which units can be purchased and with an option to switch investment funds at low cost. The latest product in the field came this week from Barclays Life Assurance.

The Barclaybond offers a choice of five funds: equity, property, gilt-edged, money and a managed fund. The theory is that investors move from one fund to another when they consider that the new fund offers better prospects than the existing fund. When all sectors look unfavourable, the investor moves into the money fund and preserves the value of his investment, at least in money terms.

But how do investors know when to switch? They can do it

Neglected holders

FULL DISCLOSURE of financial information to shareholders, unions, employees and virtually anybody and everybody has become the order of the day, except, it seems, for policyholders in mutual life companies. "With profits" policyholders in a mutual company are the owners of that company, but all too often they are left completely out in the cold when it comes to being told anything by their company. Many receive no more than the notices of their bonuses—not so much as an invitation to apply for the full report and accounts.

It is hard to imagine that shareholders in quoted companies would stand for such treatment, even if the law did not prevent it. Similarly it is hard to reconcile the lack of interest displayed by some mutuals for their policyholders with the argument, which they throw up against nationalisation, that they are merely acting as trustees for policyholders' money. Their idea of the role of a trustee does not seem to include much accountability towards the policyholders.

In fairness, policyholders are in this position largely as a result of their own inertia. All the information they could wish for is available on request, but most of the mutuals report a complete lack of interest on the policyholders' part. For example, Norwich Union, one of the biggest UK mutual companies, used to send out bonus notices, each year with an invitation to holders to apply for a copy of the accounts.

Last year, Norwich Union sent out three to four hundred thousand such notices to policyholders. It received requests from 45 people for copies of the accounts. Little wonder that the company is dropping the invitation this year, and really policyholders have no one to blame but themselves.

Fortunately some mutual companies adopt the attitude that it is their job to keep policyholders informed whether or not they write in and ask for information. Scottish Amicable is such a company. Even though it has dropped the practice of sending policyholders a complete report and accounts, all policyholders receive an abridged version and an invitation to apply for the full details. Of the 173,000 policyholders who received the abridged details for last year only 2,118 asked for the full accounts.

Perhaps the majority of the others filed Scottish Amicable's handset straight in the wastepaper bin, but that is their privilege. The company at least acknowledged that the owners of a company have a right to receive notification about its performance and that is the important point.

Centre court dividend

DO YOU want a centre court seat at Wimbledon for finals day? If you're really lucky you may be able to pick one up on the black market for as little as £100. That brutal fact ought to be enough to deter even the most ardent tennis fan. That it does not discourage everyone is an illustration of the high regard in which these rare commodities are held. But is there a more sensible way of obtaining entrance to the tennis championships for a non-club member?

The annual ballot provides a cheaper road to tickets for the lucky few. A ticket to this year's men's final could have been obtained for £4.50 by this method, but of the 26,000 people who applied at the beginning of the year, only 7,000 were successful.

A much more certain method of obtaining entrance to the Wimbledon programme is via a Wimbledon Debenture. These are offered at five-yearly intervals by the All England Lawn Tennis and Croquet Club and entitle the holder to a centre court seat on every day of the championships for a stated five-year period. The latest issue made in August, 1975, ran from 1976 to 1980 (inclusive of both as at present, the price is 1976 to 1980 inclusive of both as at present, the price is £700 each and are repayable at par (£50).

When the All England Club make an offer of debentures it canvasses only existing holders. The last offer consisted of around 2,100 debentures of which about 1,800 were taken up. New investors can purchase the debentures on the stock exchange, though here of course they are considerably more expensive than at the time of issue. The present issue, which only has three more years to run, is currently being quoted at over £2,000, ex the 1977 year period. The latest issue made in August, 1975, ran from 1976 to 1980 (inclusive of both as at present, the price is £700 each and are repayable at par (£50).

Also, the debentures are invariably bought or sold in pairs. To spend more than £4,000 of this way one would have to be a tennis enthusiast of the highest order, but if a person enjoys tennis enough to offer £200 for one day's sport to a ticket tout, a debenture is certainly worth considering. At current stock market prices a debenture holder will be able to watch the 1978, 1979 and 1980 tournaments at a daily cost of about £50, and it is also worth bearing in mind that if the holder's enthusiasm flags, it should be possible to sell the debenture on the stock exchange for a reasonable price.

TOM KYTE

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TERRY GARRETT

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Read the policy

BY JOHN PHILIP

Support for step-children

BY OUR LEGAL STAFF

I support three stepsons (all under 18) who are in the custody of their natural father, Mr. X, but by joint agreement the boys have lived with my wife (their mother) and myself since September 1972, at which time the children's allowances were transferred from their father to me. For tax purposes, therefore, I have been accepted for some time as the children's father. Their natural father makes no contribution towards their keep, but in March 1976, entered into a seven-year covenant with each of the boys to pay them £75 annually from his after-tax income. Claims for repayment of the income tax (the boys have no other taxable income) have been rejected under the provisions of 437 (1), which deals with settlements from a parent to the child of that parent. This ruling appears to me to be in conflict with the ongoing acceptance that the children's father had, for tax purposes, transferred all his responsibilities to me. Do I have grounds to appeal? In order to protect your stepsons' interests you should give notice of appeal on their behalf against the refusal of their repayment claims, and we suggest that you elect for the appeal to go before the Special Commissioners (rather than the General Commissioners). The appeals should be lodged within thirty days of the day on which you received the letter rejecting their claims; if this time limit has already elapsed, you should apply at once for acceptance of late notices of appeal.

wife or yourself (because of the wide definition of "child" in section 44A, as confirmed by the Courts in *Inland Revenue v Russell* (36TC38) for example). The textbooks do not offer much encouragement; for example, in article E2214 in volume E of Simon's Taxes (ISBN 0 406 08885 8) it is stated that "when a maintenance order is made in matrimonial proceedings, providing for payment direct to the child, the Inland Revenue do not regard TA1970, s. 437, as being applicable... It seems, therefore, that husband and wife should not settle the maintenance of their children by agreement... but should obtain a court order for payment direct to the child." It may well appear absurd that divorced parents should be required to incur the expense of obtaining a court order (by consent) to give effect to what in relation to any other beneficiary could be achieved by the simple and inexpensive means of a deed of covenant, presumably the solicitor who prepared the deeds of covenant for Mr. X last year was aware that the beneficiaries were Mr. X's minor children and takes the view that the scope of section 437 is not as wide as the textbook writers fear. If so, he or she is by no means alone.

Since Mr. X's own tax position is involved—although probably not significantly—you may wish to join with him in a consultation with the solicitor who prepared the deeds of covenant. Initially, at least, there should be no conflict of interest between Mr. X and the three boys.

Shareholders' entitlement

Referring to your reply under Shareholders' entitlement (December 11, 1976). I was in a similar position to the inquiries in that I never

received share certificates said to have been posted to me. I was asked for an indemnity and on my protesting the Registrars wrote that the matter had to be referred to the company, as the articles of association required them to obtain an indemnity before they could issue any replacement certificates. Since then, I have got nowhere. What, please, do you suggest?

Unless the company's articles of association differ fundamentally from those in Table A of the Companies Act 1948, it is not correct to say that the articles require the indemnity to be obtained. Article 9 of Table A permits an indemnity to be required, but in circumstances which include loss of the certificate by the shareholder. We take the view that in cases where the loss occurs before the certificate ever reaches the shareholder it is not appropriate for the company to require an indemnity. Indeed, it is in conflict with the provisions of Article 8 of Table A to do so. We suggest that you ask the Registrars for a copy of the Article to which they refer in their letter so that you can see if there is indeed such a radical departure from Table A.

Dilapidations and a cottage

The new owners of a country cottage which I started to rent 5 years ago, have given me notice to quit and the landlord has asked for a meeting to discuss dilapidations. I am responsible for and I have carried out decorations to an agreed schedule and the landlord for the fabric, which is in poor condition. Have I security of tenure? What should I do about dilapidations? Can you

advise me as to a reference work on the subject? You are quite likely to have security of tenure under the Rent Act 1977 as a regulated tenancy under that Act. It is necessary that the rateable value of the cottage should not exceed £750. You may however be unable to establish such protection if the cottage is not a true residence or home, but, for example, is used only for holidays. By "dilapidations" the landlords mean want of compliance with repairing covenants. You should acknowledge the notice to quit; state that you are a protected tenant under the Rent Act, and state that your responsibility under the terms of the tenancy was for decoration of the premises only, not for repair; and that there are no dilapidations other than those arising from the lessors' breaches of covenant. You may find Megarry's Rent Acts (10th Ed. Vol. 1) helpful although the statutes have been consolidated since that edition.

Age relief limits

Where an Income Bond is repaid on maturity and tax liability thereon is computed for investment charge or higher rate tax, I would like to know whether or not the present Age Relief limit of £2,250 is affected. It was understood at the date of purchase that there would be no income tax liability at the standard rate, but only for investment charge and higher rates. Therefore it appears there should not be any adjustment for the £2,250 Age Relief limit either for Income Bonds purchased before or after 5th April 1974. Do you agree?

Information on intestacy

My sister died intestate in 1963, letters of administration having been taken out by her husband. Can I obtain details of her estate and if so to whom do I apply and what would be the fee? You can ask the administrator, the widow, as you would be entitled to know whether or not you participate in the estate under your sister's intestacy. However, that would only be the case if your sister left no children (or grandchildren) surviving her. No fee is payable.

Tracing legatees

A relative died in October, 1975. As a legatee I was given an interim payment in August, 1976, at which time I was told that several legatees resident on the Continent were having to be traced. Since then I have

heard nothing. Can I find out what has been paid? What should I do now? You are entitled to require the executors to furnish estate accounts, and it is not unreasonable to call for these now. However, a final distribution is likely to be delayed in the circumstances which you describe and the executors would not be regarded as culpable if delay is caused by tracing legatees who are resident abroad. We suggest that you now ask for accounts and a statement as to when administration is expected to be completed.

Damage from leaky drain

When the site of my house was excavated seven years ago, an old land drain was hit. The builder informed the local authority who told him to install a pipe and gave instructions as to how it was to be done. However, the ground has become increasingly waterlogged. Have I any claim (a) under an NHBC policy, (b) against my house insurers, (c) against the builder or (d) against the local authority? You may have a claim against the house builder, but there may be a problem under the Limitation Act 1939. However since the House of Lords has recently affirmed *Ann v Merton LBC* (see *The Times* for May 13, 1977) it seems that there could well be a cause of action against the local authority. We doubt if either the NHBC policy or your house insurance policy will cover the position, but the relevant documents would have to be consulted for this. You would be wise to consult a solicitor.

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deemed to form part of that individual's total income for the year. Amendments to section 8 (1 and 1A) are due to be debated in Standing Committee D on June 14, but none of the proposed amendments appears to improve the position which you have in mind. Possibly the company which issued your bond would be interested to hear of your problem, with a view to making representations to the Inland Revenue or the Treasury. Top-slicing relief (under section 400) does not remove the anomaly, except in a few cases. The anomaly did not exist before 1973-74, because section 399(1) used to say that a gain on a bond should be deemed to form part of the bondholder's total income "for the purposes of surtax (but not for any other income tax purpose...)"

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A FEW weeks ago Sentry, an English-based offspring of a large American insurance group published a glossy report of a motor insurance survey undertaken in the closing months of 1976. This "survey of the motorist and his use and attitudes towards motor insurance" was conducted by Louis Harris International in conjunction with the City University Business School on the basis of a questionnaire designed by all three bodies, and in the event answered by 1,704 motorists. The report was in effect a publicity vehicle for Sentry, particularly as it turned up nothing really new on consumer attitudes to motor insurance—for example, it reported a deal of ignorance among the majority of those questioned, about the extent of cover provided by their policies and about the legal insurance principles that are fundamental, not just motor insurance but to all insurance contracts. Saying that 35 per cent of the motorists questioned had not read their policies, the report commented: "nearly two-thirds of motorists believe that their insurers will still pay out in full or in part on an accident, even after discovering that material facts have been withheld."

I do not know how insurers can force policyholders to read their policies, any more than TV rental firms can constrain their hirers, or landlords their tenants, but in the future there will be much less excuse for those who do read their insurance documents, to remain in ignorance about the law relating to the disclosure of material facts.

Following discussions between the British Insurance Association and Lloyds' on the one hand, and government on the other, in the same week as the Sentry survey appeared, the Department of Trade issued a statement of insurance practice relating to the non-life practices of private policyholders. This statement is concerned substantially with the proposer's duty of disclosure and makes it certain that, as all insurers come to reprint their proposal forms and renewal notices, greater publicity will be given to the proposers' obligations at inception, and to the policyholders' obligations at renewal. Incidentally a similar statement of practice for personal life assurance business is being considered by the various life offices, and when this has been agreed with the government it will probably be published later in the summer.

On non-life proposal forms there will be prominently displayed a warning to the proposer of the consequences of his failure to disclose all material facts—that insurers may be entitled to refuse his claims, even to avoid the policy entirely. The material facts are to be described, in accordance with established legal principles, as those facts that an insurer would regard as likely to influence the acceptance and assessment of the proposal. The proposer will be further enjoined that if he has any doubts as to whether any particular facts might be considered

material he should mention them. On notices issued in connection with annual renewals, policyholders are reminded of the duty of disclosure and of their obligations in notifying material changes in their circumstances since the previous renewal of the policy. The warning on forms, I think is likely to be more effective than its part on renewal notices. The amount of premium demanded, reaches for his cheque starts looking for a market. Moreover, the volume of renewals are by brokers who with their notices and send own. The market does not affect the broking organisations individual members a is a real gap here, we ought to discuss a British Insurers Council, and have a soon as possible.

But hopefully the materiality, on the duty clause, will prove a ing cause of dispute insurers and polic. Another well recognise of contention, all too misunderstanding as extent of the cover of in fact bought: for each year a number of makers are left di when their claims for tion, medical expenses on are rejected on the that there is no cover ability due to pre physical defect or infr passing. I should say t ing regard to the low most holiday travel in this kind of exclusion essential integral unde feature and that the cover would be very c if the exclusion were no For those who will n or cannot (and there 2m. adults in this wholly or partly illiter provision of specimen on request does not mal difference. But the att majority, is now to be to the availability of suc men policies, by positiv ments to this effect prospectuses and... forms. Of course, for insurers, there is nothing making specimen polic able—rather is the p now being given to the ability.

As I have said, the st of insurance practice d apply to intermediari here again intermedi a problem, for while brokers hold specim and can advise clients shades of difference b various policies under eration, the same is non ally true of the non- intermediary. Adequate communica of the essence, and the ment of insurance practi some way to getting ne as to whether any particular facts might be considered

Taxation Double talk

REFERENCE HAS repeatedly been made in this column to the jargon used by tax practitioners and the Inland Revenue. Where it is understood by them and taxpayers it is useful. Even if not fully understood, phrases such as "close company" or "longstop date" are immediately recognisable as jargon—the oddity of the adjectives indicates that brevity is the main aim. Manufacturers of jargon are at their most dangerous, however, when they invest ordinary English words with meanings other than those contemplated by ordinary Englishmen. The phrase which prompted this chain of thought is "double assessment."

Individual traders and partnerships are assessed to income tax on a preceding year basis. The assessment for a fiscal year is based on the profits in the accounting period ended in the previous fiscal year. When trading commences, assessability starts immediately, and the first assessment is usually described as being on the "actual" profits from the commencement date to the following April 5. The second assessment is (in normal cases) based on what are described as the actual profits earned in the first 12 months of trading, from commencement. For the third year of assessment, the Revenue look for 12 months' profits to an accounting date in the previous fiscal year—the taxpayer thus being in normal cases onto the preceding year basis. Some profits are taken into account more than once in arriving at the amounts on the first three assessments, and this is what is referred to as double assessment.

Take the example of a trader who started business on September 1, 1976, and drew up accounts for five months to January 31, 1977, intending to account annually to January 31 thereafter. If we ignore, as the Revenue generally permit us to, the five days in April, the 1976-77 assessment is based on the profits shown in his first five months accounts, plus the profits of February and March, 1977, taken from the next year's accounts. For the second fiscal year, 1977-78, the assessment is based on 12 months' profits to August 31, 1977. These consist of the same five months to January 31, 1977, and the same two months to March 31, 1977, plus a further five months to August 31, 1977. The assessment for the third fiscal year, 1978-79, based on the accounting year to January 31, 1978, includes at before the two months to March 31, 1977, and the five months to August 31, 1977, but this time increased by the next five months to the end of the accounting year. On the basis of this description, every penny of profit earned between September 1, 1976, and August 31, 1977, has been taxed twice, except for February and March, 1977, which have been taxed three times. This is the process referred to as double assessment.

The difficulty and the danger of the phrase is that what has been described above is a gross oversimplification: the real effect of the legislation is significantly different. We can best see these implications if we make one change in the information given in the example. Assume that the trader's accounts are drawn not for 5 months and 12, but for a single period of 17 months. The Inland Revenue have no power to require the trader to use one date rather than another, and no ability to split an account to find the profits of shorter periods, other than by time apportionment. Translating the opening year's assessment, rules into fractions of the accounts profit shows the following position—

1976/77	"Actual" 7 months to April 5, 1977	7/17ths of total profit.
1977/78	"First 12 months" to August 31, 1977	12/17ths of total profit.
1978/79	"Year to accounting date" January 31, 1978	12/17ths of total profit.

Adding these three assessments shows that the total is 31/17ths of the accounting profit.

A mathematician would more accurately describe this process as extrapolation, rather than double assessment. Fourteen extra months profits have been "manufactured" out of nowhere, and tax will be paid on them. It is less than the truth to say that the extra fourteen months profits are those of particular months between commencement and August 31, 1977 which have been assessed twice or three times. Energetic readers who check the operation of the rules on the assumption that the trader drew accounts for 16 months to 31 December 1977 or for 18 months to February 28 1978 will find that the fractions become 31/18ths and 31/16ths respectively. This is mathematically obvious: 31 is the number of months from the commencement of trading to the end of the third fiscal year. It is to that number of months that the actual trading results have to be expanded.

If the rules are applied to the five and 12-month accounting periods originally envisaged, it will be found that the first is expanded into ten months, and the second in 17 months. The same

manufacture has an almost nostalgic ring about it. It will give BAT's greater product flexibility in two areas it knows well, Europe and South America, while at the same time providing valuable production volume for its Brown and Williamson plants in the U.S.

It shows great faith in an industry that has come under increasing fire from both medical and political critics while displaying the kind of trading flair that helped build BAT's into its present position. For, after the Chinese monopoly, BAT's is the largest tobacco company in the world, operating in over 60 countries. It is just because of this very wide spread that it can make so much use of the Lorillard deal. It can put the Lorillard products into markets alongside its own without needing to back them up with extra production capacity or manpower, and in most cases, without competing with itself.

For Lorillard, a subsidiary of Loew's in the U.S., the benefit is a straightforward injection of cash which can be used for product development. In the first quarter of this year the company pushed up its share of the U.S. market from 7.9 per cent to 8.6 per cent, according to figures drawn up by the Maxwell Group.

Although Kent is long-established in the top 20 sellers in the U.S. it is the low-tar version, Kent Golden Lites, that has been largely responsible for the upturn in the Lorillard fortunes. This version alone claims a 1.5 per cent market share, and has been far more successful than the BAT rival, Fact.

But the cost of success in the U.S. market is high. The Philip Morris launch of Merit thought to be the leading low-tar cigarette in the U.S. and now being launched in Europe, cost an estimated \$40m. As the trend to new full-flavour low-tar brands continues, so Lorillard has increasingly needed to turn its attention to its own back yard, although it already has another low-tar brand in the stable, True.

The link with the Kent brand name is not new for BAT's. It has been manufacturing and marketing them in Germany for some time, but the addition of Golden Lites is undoubtedly important, both in terms of having a successful low-tar brand and having an American blend cigarette with an authentic home base.

Weekend Brief

Fast movers

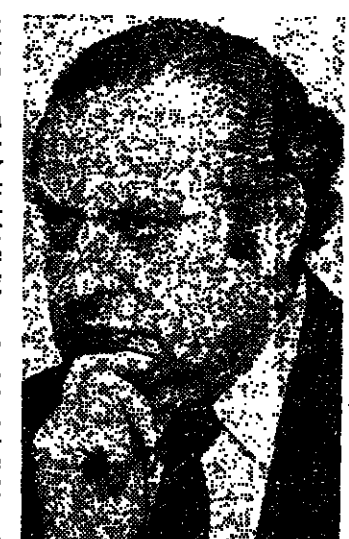
Two areas of catering are getting the restaurant business excited at the moment after a couple of years of doldrums. One is the top end "money no object" business of caviare, crêpes and Krug, and the other the magic world of fast food, currently dominated in the U.K. by Wimpy, Kentucky Fried, and fast growing McDonalds. The plush end of the business is benefiting from wage restraint and high taxation. Blind eyes are being turned towards expense accounts in Britain Europe and the U.S. Fringe benefits are not just an English disease and the deep seated cats of Mayfair are growing fatter as a result.

recognisable, after starting out as a legal device aimed at obliging food manufacturers to use more dairy products. The concept of the Common Market's "exclusive-use" directive at the cognoscenti knew its blossomed in Brussels last year. At the time the Commission was trying to find ways of getting rid of its 400,000-tonne mountain of butter and the million-tonne-plus surplus of dried milk. The draft was immediately interpreted as an assault on Britain's alimentary sovereignty. Cream crackers, sherry, toffees and all those other so-called "creamy" delights of the British diet stood in the firing line. But the U.K. Government, prodded by industry, chose to fight on the issue of ice cream. If manufacturers were forced to use butter instead of vegetable fat, prices would be pushed up and sales and profits would be forced down.

And in any case, what business was it of Brussels' what the Brits ate or what they called their food? The Commission said it was ludicrous to use imported ingredients in ice cream especially when the EEC had such surpluses of excellent home-produced substitutes. Allowing for an extra 10 per cent from makers who do not let the Ministry of Agriculture know what they are up to, British manufacturers last year sold about 227m. litres of ice cream. Finding out precisely what went into this veritable iceberg presents certain problems. The ice cream business, it can report, is well hedged about with "trade secrets." One senior company man I spoke to was under the impression that national ice cream production figures, available from the Ministry of Agriculture, are a

very closely guarded secret. But your average ice cream, it is safe to say, contains approximately: 6 per cent fat 12 per cent sugar 12 per cent skimmed milk powder The rest is water, traces of emulsifiers (secret), stabilisers (another secret), colour and flavour. Air, I understand is also an important ingredient, contributing greatly to "texture."

If an ice is labelled "dairy" ice cream, it must by law contain at least 5 per cent butter. Common or garden ice cream contains vegetable fats, and for the rest, the ingredients are the same. An official at one major group—opposed that most sources approached—said that the fat used in his company's product was usually palm kernel oil, although the com-



Silkins: creamy way.

pany was now using some hardened palm oil. "It depends on availability," he said. He also used sodium citrate in its dairy ice cream. "To thicken it, I think," he offered. But fat is the key. Quantities vary from brand to brand. Most companies making a dairy ice cream use 6 to 7 per cent butter, although there is at least one manufacturer splurging 12 per cent into his high-grade product. Best estimates put the total amount of butter used in the ice cream industry last year at a little over 2,200 tonnes. The rest of the manufacturers used cheaper vegetable fats—about 15,000 tonnes.

So even if the commission were to have had its way, and all ice cream makers had been made to use only butter, and provided too many buyers were not put off by the price increases, consumption in the U.K. might have been pushed up by 15,000 tonnes at the most. It seems a pity then, that all the vigour, thinking, money and ministerial patience wasted on this ill-starred project could not have been diverted into some means of acting on the warnings from the dairy industry that retail prices rises—a direct result of EEC accession—threatens to cut British butter consumption by 60,000 tonnes this year.

Low tar high stakes

The decision by BAT Industries to spend over £30m on the foreign rights of Lorillard to strengthen its traditional base of cigarette marketing and

advertising expense. The decision to concentrate on this market and to capitalise on 1977 gains was the basis of the Lorillard sale, described by a spokesman last night as "relatively small." For the company to have developed in Europe and elsewhere would have involved a great deal of expense and executive time, while at the same time watering down the effort at home "our most important market."

Although Kent is long-established in the top 20 sellers in the U.S. it is the low-tar version, Kent Golden Lites, that has been largely responsible for the upturn in the Lorillard fortunes. This version alone claims a 1.5 per cent market share, and has been far more successful than the BAT rival, Fact.

But the cost of success in the U.S. market is high. The Philip Morris launch of Merit thought to be the leading low-tar cigarette in the U.S. and now being launched in Europe, cost an estimated \$40m. As the trend to new full-flavour low-tar brands continues, so Lorillard has increasingly needed to turn its attention to its own back yard, although it already has another low-tar brand in the stable, True.

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Contributors: Ar Sandles, Christo Parkes and St Alexander.

Motoring

Product of the revival

STUART MARSHALL

IF CAR makers, like school pupils, were awarded prizes for progress, Volkswagen would be long overdue for theirs. In four years, VW cars have worked their way up from being near bottom to near top of the class.

When one looks at the Polo and Golf, Passat and Scirocco, it is hard to credit that every 1978 VW car but one was a direct descendant of the out-dated Beetle. But they were. The odd man-out was the K70, an unadorned front-drive, water-cooled saloon-VW had acquired when they took over the NSU company. It proved to be a short-lived stopgap. VW thankfully killed it off once the full range of new generation cars were in production.

Audi cars must also be counted as VWs because Audi is part of the group. Some, like the Audi 50 (not sold in Britain) and the Audi 80, are "badge engineered" and posher versions of Volkswagens—the Polo and Passat respectively. But the new Audi 100 has no VW counterpart. This up-market executive five-seater is in the Rover 3500 class. It was introduced here as a 2-litre four-cylinder last year and has just become available with an interesting 2.3 litre, five-cylinder engine option.

In recent weeks I have dipped into the VW/Audi collection three times. First I tried the Polo LS (the version with the 1.1 litre engine also used in the Golf), the Scirocco 1600GLS coupé and the Audi 100 with four and five cylinders. They all set a standard against which others in their classes must be judged and, despite the hardness of the Deutschemark, are not always handicapped by high prices.

The Polo LS costs £2,699, which is more than either the Ford Fiesta "S" (£2,513) or "L" (£2,291). For the extra money, though, you get a delightful overhead camshaft engine that runs on two star, feels smoother and punchier than the Ford's push-rod motor

and is much quieter at motorway speeds. The ride is better, too, and the Polo's clutch is not one of those in-out devices like the Fiesta's.

In other respects there is not much to choose between them. Both are most agreeable small cars so is the revised and facelifted Fiat 127 I wrote about the other week. All of which goes to show what a very tough market the new Leyland super mini will have to carve itself a share in when it appears three years hence.

The VW Scirocco is a bit like a poor man's Porsche. If you covet but cannot afford a Porsche 924 at £6,999, the £4,161 Scirocco will give you nearly as much enjoyment if not quite as much performance



VW's Flagship—the Audi 100 SE.

or prestige. It is, of course, a different car altogether from the Porsche 924, with front, not rear, drive but the comparison is realistic because both appeal to the keen motorist who is not weighed down with family responsibilities. Even so, the Scirocco has room for two children in the back and, for a sports two-plus-two, a massive boot.

For lively acceleration, the Scirocco is quite low geared, but the engine is so quiet it does not feel fussy at a 70 mph motorway cruise. Top gear pick-up is most impressive. It fairly shoots away between 60 and 80 mph and pulls strongly from 25 mph in top. Light, quick steering makes it nimble around corners, the ride is surprisingly soft and the driving position admirable.

Perhaps it is because I am tall, but I really do not like those trendy screenwriters with a single enormous arm. Unswept top corners of the screen embarrass me in town after a dash down a wet motorway because traffic lights are best not looked at through a film of dried mud.

Whether four or five-cylinder

Golf

All set for a grandstand Uniroyal finish

BY ROGER PAUL

THIS YEAR'S Uniroyal is the one about the Spaniard, the South African, the Australian and, at long last, the Englishman. With 18 holes left to play at Moor Park the £5,000 first prize of this £30,000 International Golf Championship seems likely to be won either by Severiano Ballesteros on 207, nine under par, Bobby Cole (210), Greg Norman (209), or, with fingers firmly crossed, the overnight leader and former English amateur champion, Nick Faldo who is on 208.

In the running are Peter Oosterhuis and Graham Marsh, both with 210, and the only sure thing in a galaxy of uncertainties is that the drama in Hertfordshire to-day will be considerable.

The focal point, of course, is the 19-year-old Faldo. This young man is attempting to make one of the most dramatic breakthroughs in golf since the

emergence of Tony Jacklin and Gostertius. He has been a professional for only 14 months and played yesterday's round under the triple pressures of knowing that success would mean not only a place in the Ryder Cup team and financial security but also that failure would disappoint hundreds of home town supporters who turned up to see him play.

To-day he has it all to do again but at least he now knows that he can survive apparent disaster. Faldo made the start he must have dreaded, hooking his first drive so badly that he was about to play another before he was told by stewards that his ball had carried to the rough of the 17th. That meant an immediate dropped shot and two more were spilled before the steady influence of his first birdie came at the long 9th.

The effect was immediate. He birdied the short tenth and also the long 13th and suddenly Faldo was back in the tournament.

The one stroke difference between him and Ballesteros is, in the context, insignificant. The Spaniard, as always, relied heavily on a short game that sometimes is literally unbelievable. In his round of 67 yesterday he rarely hit a fairway and yet was two under at the turn and birdied the tenth in the fashion which causes despair among his rivals. He hit an eight iron way over the back of the green and then hit a sand wedge from fully 30 yards straight into the hole.

He hit a drive and eight iron on to the green of the 504 yards long 13th for another birdie, holed from six feet at the 15th and from 30 feet for a closing birdie at the 18th. There could hardly be a more dramatic illustration of the power of the putter.

David Snell, twice a tournament winner and England's representative in the world cup in 1965 stood in front of the scoreboard at the Uniroyal.

As further evidence of the extent that mental attitudes govern the seemingly simple act of putting Cole tells of the day he took on George Archer and John Lister, two of the best putters in the world, for money on the practice green. After two hours he ended up even, and aware that there was nothing wrong with his putting stroke. Yet he still finds it impossible to reproduce during the tournament proper.

Graham Marsh, ruminating on the same subject, believes that as little as possible should be left to chance. "I had a bad spell until a year ago. It took me 18 months to find out I was breaking my left wrist too much and since then I have worked on making the stroke as mechanical as possible.

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Tennis

IT WAS A FAIRY TALE day of fun and excitement for 14-year old Tracy Austin, the youngest competitor at centenary Wimbledon, and, for that matter, the youngest competitor ever at Wimbledon. Looking for all the world like Shirley Temple, with pony tails bobbing, the little girl from Rowling Hills, California, faced the reigning champion Chris Evert, for three years the world's No. 1, and captured the packed Centre Court with her maturity, poise, and a game as polished and well rounded as I have ever seen in one so young.

The cold facts of the score, 6-1, 6-1, to Miss Evert in 50 minutes, concealed intriguing 20-stroke rallies of all-court play that forced the champion to pull out all the stops. Miss Evert said afterwards, "She has more variety than I did at that age. She volleys better than I did—perhaps better than I do now."

Following her first experience of Wimbledon singles, later, Miss Austin went on Court One with her Australian partner, Lesley Hunt, followed by an army of well-wishers and proceeded to rule the court against another Australian, Dianne Evers, and her Czech partner, Marie Pinterova.

Fairy-tale day for Tracy, 14

Zealand, Onny Parun, and now faces Jimmy Connors, the top seed, who put him out at the same stage last year.

Byron Bertram of South Africa, who had beaten the No. 5 seed Brian Gottfried won again yesterday, 6-4, 6-0, 6-2 against Paul Kronk (Australia) and now plays another Australian, Kim Warwick, conqueror of Bob Lutz No. 15 seed. Sandy Mayer's 6-3, 9-7, 6-3 win against Jorge Andrew (Venezuela) gives him as a fourth-round opponent the best of the American juniors, the left-handed John McEnroe.

Tim Gullikson, who suffered a cramp in his long and gruelling Thursday win against Raul Ramirez the No. 7 seed, won again 9-8, 6-3, 9-9, 6-3, against Brian Fairlie (New Zealand). To-day he faces the No. 13 seed, Phil Dent (Australia).

Devonshire's Jonathan Smith could make no impression against Vitas Gerulaitis of New York, the No. 8 seed who won 6-3, 8-6, 6-4, and now plays the No. 7 seed, Dick Stockton of Dallas. Stockton, a 1974 semi-

final Wimbledon loser to Jimmy Connors, looked most sound yesterday, in beating Fred McNeil 6-1, 6-3, 6-2.

So there are eight Americans in the last 16, and only two Australians—a reminder of the rising tide of American dominance in the game.

Two women's seeds were beaten, both by promising young South Africans. Mima Jausovec (Yugoslavia) the tenth favourite, fell 6-4 6-3 to Marisa Kruczer, and the 11th seed Françoise Durr won aged 31, was beaten by Linky Boshoff 6-3, 9-7.

Britain has two survivors Virginia Wade who won convincingly 6-1, 6-2 against yet another South African, Yvonne Vermaak, and Sue Barker, who was not engaged yesterday but to-day meets Lea Antonoplis the No. 5 American junior.

Late in the day there was yet another shock. The top seeds and holders of the men's double Gottfried and Ramirez were unceremoniously bundled out of the tournament in the first round 3-6, 7-5, 6-8, 6-3.

Yachting

Round the island

THE TRADITIONAL Round the Island Race, which starts from Cowes early this morning, comes, for many, as a welcome break in the more serious side of yacht racing but, for the first time, this 60-mile family affair counts as a trial for the selection of the British Admiral's Cup team—for better or for worse. It certainly came as a surprise to both the team selectors and more than a few owners of trial yachts when, at a meeting in London earlier this year, a majority of owners voted to include this race in the trials.

Subject to everyone waking up in time, 601 yachts divided into six classes begin leaving the Coves at 6 o'clock and the largest group of 388 yachts, racing for the coveted Gold Roman Bowl will start at 7.30 a.m.

Among these will be the 15 British team trials hoping, in the starting line, to shake off the mob as they head west to the Needles. For many of those taking part it is the only competitive event of the year and the chance to rub shoulders with the Ted Heaths and Peter Nicholsons of the offshore game although they, in turn, will be hoping are not actually rubbed even if collisions on the starting line are a normal part of the performance.

Once clear of the starting area the next hazard is the Bridge Buoy, the turning point back eastwards just north of the Needles. The fair tide then rushes westward and less experienced sailors often miscue a new hazard has been set for the moment to make the the unvarying. More than 100 turn across it. Family men, warships from all over the world are moored in Spithead

and out of tight parking spaces. Wind and road noise are not troublesome and the suspension is excellent. The only snag is an occasional tremor which runs through the whole car at moderate speeds over bad roads.

Inside, the Audi is more like a traditional Rover than the new Rover 3500 itself. The combination of pale cloth seats and a fawn and brown fascia is pleasantly relaxing and there's nothing of the space capsule about the Audi's interior. The idea was to make it more like a drawing room to eliminate aggression at source. It certainly works for me.

Whereas I would always go for the five-speed manual Rover, I prefer the Audi as an automatic. The transmission is set up to go from middle to top at a shade over 60 mph if you are pressing on, and will go a lot higher than that if the selector lever is moved. But I think unless conditions are exceptional, automatic transmission like a manual gearbox is as sensible as buying a dog and barking at yourself.

awaiting next week's Royal Fleet Review and while the racing fleet will provide a fine sight for the sailors, their ships may not create quite the same enthusiasm for the die-hard racing men fighting out the final miles to Cowes.

Every yacht completing the course received a tankard and the enormous complexity of timing the finishers is masterminded by Cliff Collins, racing secretary of the Cosmopolitan Island Racing Club.

How seriously the Admiral's Cup selection team take the result of the race will probably depend on the results, but given a reasonable wind it would come as no great surprise if a trial yacht won the Gold Roman Bowl and even less of a surprise if the selectors insist on two trial races, rather than one as planned, being sailed to-morrow before they announce Britain's team in London on Monday morning.

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ENTERTAINMENT GUIDE

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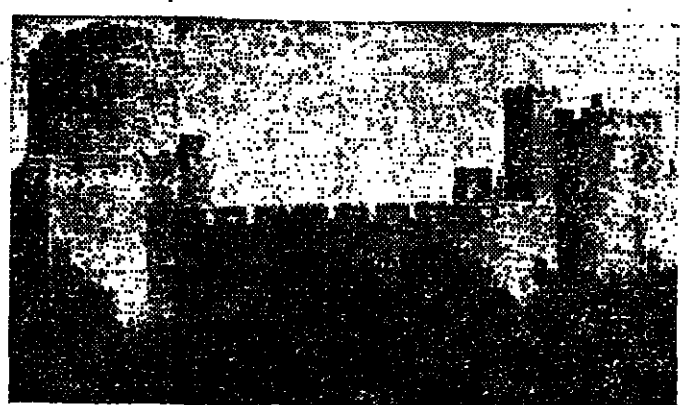
Travel

Gardening

Off to hidden Pembroke

BY SYLVIE NICKELS

TALK IN THE comfortable bar of the little Cambrian Hotel at Solva that evening was of the current shooting season. There was an MP and a leading surgeon, both enjoying their anonymity, and a local master stone mason. Someone had bagged a snipe, and yams were exchanged about teal and woodcock. Though personally against the whole business, I found a certain fascination in the contrasting characters and their common subject. The Cornish-born landlord, then charging residents £3 for a 4-course meal, gave us a gastronomic appraisal of the relative merits of domestic and wild fowl. And a fire crackled purposefully in the hearth.



Pembroke Castle

That was just six months ago at New Year: a far cry from this midsummer week-end. But the natural and historical attractions of that part of Dyfed which used to be Pembrokeshire are year-round, and it is only the beach addicts who will be limited by weather to the summer months.

Happily for them, too, the beaches are numerous enough and some of them vast enough to absorb a lot of humanity. Mostly they come under the heading of "undeveloped," for this is a coast for walkers and bird watchers rather than seekers of more worldly pleasures.

We made Solva our base, selecting self-catering accommodation a mile out of the village from the Wales Tourist Board's "Where to Stay in Wales" guide (45p).

Pembrokeshire has a very particular character. The fact that it is that bit further from anywhere than other parts of Wales accounts for its particularities and not least its separate historic development. From prehistory until relatively recently, the local inhabitants and their various local or foreign overlords went about their business comparatively undisturbed by the upheavals

that troubled other regions. The Romans seem to have left them in peace; there are few traces of Viking havoc, though their trading activities bequeathed numerous place-names of Norse origin. After the Norman Conquest the area was divided into feudal lordships. The Normans and, especially, their English followers settled mainly in the south: hence "little England beyond Wales."

Some historians have described Pembrokeshire as a kind of "western Balkans," its history a mosaic of bits and pieces until the Act of Union of 1536 brought it at last, along with the rest of Wales, under the rule of English law.

One of the results of its earlier isolation is that it is one of the richest areas in the country in prehistoric sites and megalithic tombs, as well as being fertile in post-Roman inscribed stones, holy wells, Norman-built castles, religious houses and fortified churches.

We divided our time very happily between walking and collecting some of these diverse historic sites. Most of our walking was along sections of the Pembrokeshire Coastal Path, whose nearly 170 miles extend from St. Dogmaels in the north to Amroth in the south and is largely composed of as fine coastal scenery as you will find anywhere. It also passes beside, or near, many points of historic interest as well as attractive little villages, fishing ports or major communities like Fishguard, with all the possibilities they offer of rest and rejuvenation. Bird enthusiasts will be in their seventh heaven, especially during the spring and autumn migrations, for this coast is one of the key points in ornithological navigation. Indeed, it was on Skokholm island that Britain's very first bird observatory was established in 1933.

Our touring took us to three principal and widely differing areas. One day was devoted to the little resorts of St. Bride's Bay and its southern headlands looking out to such islets as

Skokholm and Skomer, both nature reserves maintained by the West Wales Naturalists' Trust. Skomer is open to visitors, with boats crossing daily from tiny Martin's Haven during the summer.

On another occasion, we explored some of the complexities of Milford Haven's waterways. A tall bridge links Neyland on the north side with Pembroke Dock on the south and, from it, you get a good view of the curious industrial landscapes of what has become one of Europe's largest oil ports and refining centres. The Coastal Path doggedly pursues its course through it all, skirting regiments of cylindrical storage tanks among which, too, the discerning will find the odd prehistoric earthwork or burial chamber.

From here it is only a couple of miles to Pembroke and its fine castle, then a few miles west to the windswept waves of sand dunes that mark the beaches of Freshwater West. There is a whole forbidden area of M.O.D. territory south-east of here, but they do allow you through (when warning flags are not flying) to admire the cliff scenery and off-shore "stacks" so favoured by sea birds at nesting time.

Our third main expedition was north-east from St. David's to Fishguard and Dins Head, the former a bustle with shipping activity and the latter offering a fine circular mile-long walk round its cliffs. We returned to St. David's by way of the Preseli Hills (highest point 1,760 feet) whose beautiful blue dolerite stone contributed to Stonehenge over three-and-a-half millennia ago. The purple sandstone of St. David's Cathedral had only a few miles to travel from nearby cliffs. Crouching in its hollow, this is architecturally one of the grandest sights in Pembrokeshire, both within and without.

Further information: Wales Tourist Board, Welcoming House, High Street, Llandaff, Cardiff CF2 2YZ.

The search for summer fragrance

ARTHUR HELLYER

ONE COMPENSATION for the miserable summer we have so far endured is that the cool, damp air has brought out the full fragrance of many flowers. Honeysuckles have never smelt richer, especially on those oppressive evenings preceding thunderstorms and I have become aware of several scents that I had completely missed before.

It is not many weeks ago that I was recommending *Syringa velutina* in this column as a miniature lilac suitable for small gardens but regretting that it had no perfume. Then one day I was busy in the garden when I became aware of a particularly strong and unfamiliar scent that assailed me every time I passed a particular point. At first I thought it must come from a genetista that grows nearby but the scent of genetista is sharp and lemony whereas this was sweet and rather heavy. It took me a little while to be convinced that it came from *Syringa velutina* for every time I sniffed the small blue-lilac heads of this bush the scent disappeared. But then some plant perfumes are like that; they carry on the air and are at their most powerful a few feet or even yards away from the flowers that produce them but seem to anaesthetise the nostrils if one approaches too close.

Anyway there is no doubt that it was *S. velutina*, that was scented the air that day, a fact confirmed by a knowledgeable friend who described it as "really too scented" and so I hasten to make amends to a delightful and useful shrub which I had slighted unwittingly. Incidentally in nurseries it is just as likely to be found labelled *S. palabiziana* an old name still much in use. It comes from Korea and is bone hardy.

One of the problems in writing about flower scents is our pitifully inadequate vocabulary so different from the rich array of adjectives available for colours. I suppose that perfume experts must be better endowed but whatever language they use does not seem to come the way of ordinary folk and the literature on flower scents is negligible. Catalogues give no help, usually stating no more than that a plant is "scented," or if they want to be particularly complimentary, "sweetly scented."

But part of the charm of flower scents is that so many of them are not sweet. The host of mock oranges are at this moment enveloping the garden in a variety of sharp lemon scents for which I know of no individual descriptions. They vary greatly in power and quality, one of my favourites being the very small flowered *Philadelphus microphyllus*. It makes up in numbers what it lacks in individual flower size and, since it rarely

exceeds four feet in height, is much better for small gardens than the big popular favourites such as *Virginal*, *P. coronarius* and *P. integrus*. Another little known but very beautiful kind is *P. delavayi calocarpus* which has white flowers backed by purple calyxes and is arguably the most powerfully scented of all mock oranges. Unhappily, though it was introduced from China nearly a hundred years ago, it remains a scarce plant and few nurseries are able to offer it.

I suppose that roses offer the widest range of scents, which is not surprising when one considers the vast range of species and the complex parentage of the garden roses. From the old Damascus roses they inherit the richest and most heady perfume but, as was pointed out by that great and wise rose grower Edward le Grice (whose death recently is a great loss to rose lovers) it is a scent which seems to be brought out by the underlying magenta pigment in some pink, red and crimson roses and is also inextricably linked with weak flower stems.

Roses such as *Etoile de Hollande* and *Crimson Glory* have it in full measure but the rose buying public rejects these because they hang their heads. Mr. le Grice suggests that ways of overcoming this are to breed roses such as *Josephine Bruce* with no more than 20 petals or to be satisfied with a somewhat

diminished damask scent as in big blooms such as *Alec's Red*. He distinguished and described a number of rose scents in addition to damask. One he tentatively called *nasturtium*, though agreeing that this was not really an accurate description for the peppermint spiciness of *Pink Favourite* and *Faer* for the slightly sharp, lingering scent associated with some orange and salmon roses such as *Orange Sensation* and *Elizabeth of Glamis* though it also occurs in other shades including *My Choice*, *Dearest* and *Elus Moon*. Then there was *apple*, found in *The New Dawn* and *Elinor le Grice*, *lamb* in *Ophelia* and *Sutton's Gold*, *clove* in *Rosa paulae* and the sweet yet slightly musty perfumes of some musk roses such as *Buff Beauty*. Oddly enough people can be extraordinarily insensitive to the scent of some flowers. I once received an angry letter from a reader asking why I and other writers kept on saying that *Fragrant Cloud* was a scented rose.

The pea family is particularly well endowed with scents of perfume and set your guessing where it complant either *Trachelium asiaticum* or *T. jas* against a wall. The lush evergreen, the flowers superbly hidden but the superlative. *Asiaticum* is the of the pair.

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Boats

Weekends Afloat

IN THE PAST few years the design of racing yachts has followed a consistent trend. The big boats are handling more and more like monster dinghies, and smaller craft are snapping at their heels while coping with vastly increased sail area.

At the same time the influence of the racing fleet on cruising boat design and equipment is filtering through ever more rapidly, although this has often been more noticeable above decks than below the water line.

Even so, the introduction of the GK 24 by Westley Marine of Waterlooville, Hants, represents a major departure for this company, which has concentrated so heavily on the fairly large-scale production of boats aimed strictly at the cruising market, and the middle-aged, pipe-smoking sector at that.

The new baby has come into one of the hottest areas of inshore racing, the quarter-ton class, and while it has not looked like a world-beater, Westley has sold an awful lot and its performance has been good enough to rattle even the most sceptical of its competitors.

Although, not surprisingly, it is sensitive to weight and wind strength, it is simple to handle and slides along deceptively easily and quickly. Frequent adjustments are necessary to the sail plan as the GK 24 can quickly become overcanvassed and the temptation to leave all flying will only result in putting the boat on its ear and losing speed through the water. It is also offered in both deep

and shallow keel versions, for those who need an extra foot to play with in making their way out of the shallow estuaries, but the deeper keel is preferred as soon as the boat comes on to the wind.

There are three versions of the boat available, the basic budget boat, the club racer, and the IOR racer, ranging from some £5,500 to about £10,000.

A lack of standing headroom means that the GK 24 is at best a week-end boat rather than a holiday cruiser. Although Westley offers value in terms of internal fittings, these are less necessary than efficient equipment for hoisting and trimming sail, and instruments to aid performance and navigation. A fairly small outboard is sufficient to push the hull in and out of harbour, partly because of the low wetted surface.

Bigger winches, running sheaves at the base of the mast for the halyards, improved mast track arrangements for the spinnaker pole and double

guard rails are all improvements which could be made. In the later models the main sheet horse has been lengthened and moved aft, a change which some would prefer to do without.

Apart from that the GK 24 offers value, a good builder's name and even some after-sales service to the man who is

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Chess

HALF-WAY through the annual Curry Sark Grand Prix, a national league covering the majority of British congresses, four players are in serious contention—England international Webb and Rumens, Max Fuller of Australia, and the 17-year-old Bedford junior Plaskett.

Whether any of them will take the £1,250 prize in December is another matter. The Curry Sark format gives a chance both to congress regulars and to the top internationals who may only wish to compete in the most important events on the domestic circuit.

The summer's London and South of England programme is substantial enough for a strong master to overhaul all the current Grand Prix front runners. The annual Evening Standard congress on July 22-24 and 29-31 at the Piccadilly Hotel features the National Bank of Dubai Open (£1,000 first prize) for which anyone can enter. ... Tel: 25 45 40

Another open-to-all event is the Aaronson congress at the Harrow Leisure Centre on September 16-18, where the main tournament also has a £1,000 first prize. There are subsidiary events for weaker players. Brochures and entry forms are available from Mrs. D. Lee, 49, Mountfield Road, London, N3 (01-346-4837) for the Evening Standard and from Harrow Leisure Centre, Christchurch Avenue, Harrow (01-863-5611) for the Aaronson.

A feature of the British weekend circuit which few if any other countries can match is the opportunity for successful players to qualify for prestige events of national importance. This is a great advantage for rising talent. The winners of the Iford, Charlton, Surrey, and Manchester congresses this summer will all be eligible for the Lloyds Bank National Invitation at the Piccadilly Hotel on August 28-September 1, which enables players to qualify for the world (Elo) ranking list. The Invitation is part of Lloyds Bank's new programme of support for chess, which already includes backing for the England team for the world teleolympiad and help for the national junior squad.

Finally (perhaps only temporarily so, for at least two other major events are under negotiation), London will stage a ten-player grandmaster tournament, the Lord John Cup, in September, which will enable leading British players to compete for international titles. One of the eight world title candidates has

Chess board diagram showing a game in progress. Pieces are labeled with letters and numbers. The board is partially filled with pieces.

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LEONARD BARDEN

Officially

How to spend it

by Lucia van der Post

Luverly, luverly Loot

TWO YEARS ago Goldsmiths' Hall woke with many years of tradition by holding an exhibition that was more an exhibition—it was also a market-place for the work of jewellers and craftsmen from all over Britain, that everything on view could also be bought. The idea doesn't sound revolutionary—but though Britain is full of inventive craftsmen and women producing some of the most beautiful and finely-wrought work in the world, nobody seems to know quite how to sell it. It's a vicious circle that Loot 'trying, and doing a great deal towards helping, to break. People who make beautiful things seem to be unable to sell, and good salesmen don't seem very interested in selling the kind of things they make. ("Masses of un-

exploited talent, that's what England is," lamented one of the selection committee.)

While the first Loot exhibition was a great success (some 15,000 people came to see and about 600 orders were taken) last year's was even more successful. 26,000 people saw the exhibition in London (£85,000 worth of orders were taken) and a further 15,000 saw it in Leeds.

Though in terms of public reaction the exhibition has been a great success there has been disappointment in the lack of response from manufacturers. Few of them have had the courage or the sense to take up and give regular employment to these immensely gifted designers. When I think of what is on sale in the average big retail chain, which is, after all, where most of the

country buys its engagement and wedding rings, its anniversary presents and the like, it seems such a crying waste.

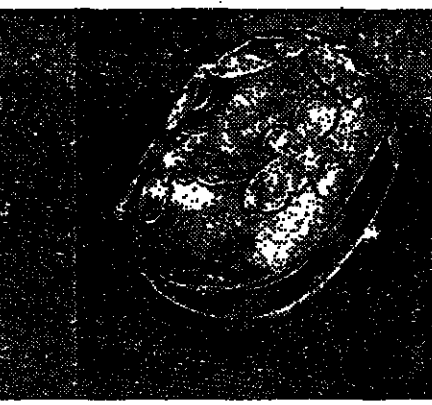
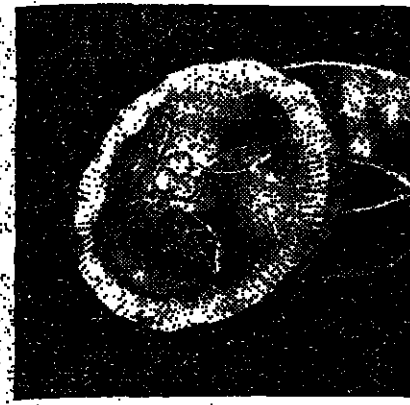
This year the price limit on all the items is £100, so every one of the 1,527 designs on view will be available at something between £1 and £100. Having seen what is going to be there I can only say how bitterly I regret not having bought at least something from the first Loot when the upper price limit was £50. My own mental resolution is now to buy at least one thing every year and in this way not only encourage some young craftsmen or jeweller but also own something quite individual and of great beauty.

It is also a marvellous place to hunt for original presents—for instance, the silver desk pen is only £12.50 and yet

has an appeal quite different from the mass-produced pens on the market. There are silver rings for as little as £7.75. There are beautiful salt and pepper pots for really quite small sums and there is jewellery which is delicate, original and ravishingly pretty.

If you do want to buy remember you cannot remove anything from the exhibition until it is over but you can place orders with the designer.

Loot is on at Goldsmiths' Hall, Foster Lane, London, EC2, from June 28 to July 16. Some exhibits will go to Leeds City Art Gallery from August 1 to August 20, while some others will go off to the Musée des Beaux Arts in Montreal and then on to Florida for the Winter. Admission is free from 10.00 to 5.00 every day except Sunday.



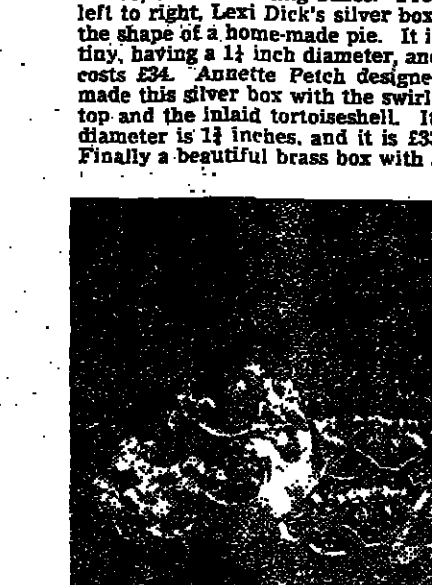
Above, three charming boxes. From left to right, Lexi Dick's silver box in the shape of a home-made pie. It is very tiny, having a 1 1/2 inch diameter, and costs £34. Annette Petch designed and made this silver box with the swilling top and the inlaid tortoiseshell. It's diameter is 1 1/2 inches, and it is £33.75. Finally a beautiful brass box with a

touch of fantasy in the bees that cluster on its top. 1 1/2 inches by 1 1/2 inches, it is made by Cornelis van Dop and is £20.

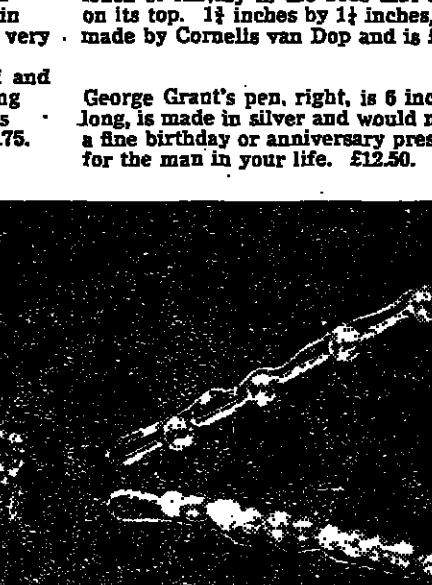
George Grant's pen, right, is 6 inches long, is made in silver and would make a fine birthday or anniversary present for the man in your life. £12.50.



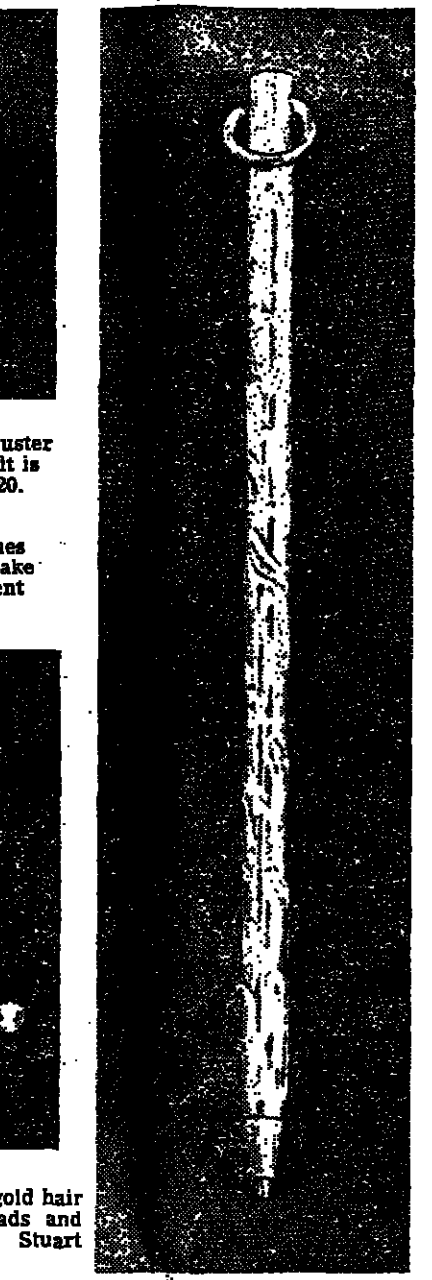
LOVELY, almost neo-Art Nouveau ring Frances Bendixson. She uses one strand of silk she then threads with stones, and oils and weaves them together to create a rich, rather dressy, evening ring. This has gentle colours, amber, browns, emerald and uses ivory, pearls, quartz and her eye strung together on a silver read. It is £37.



TWO DELICATE silver rings, both on a slightly royal theme, though the one is more elaborate than the other, by Tessa Williams, £7.75 each.

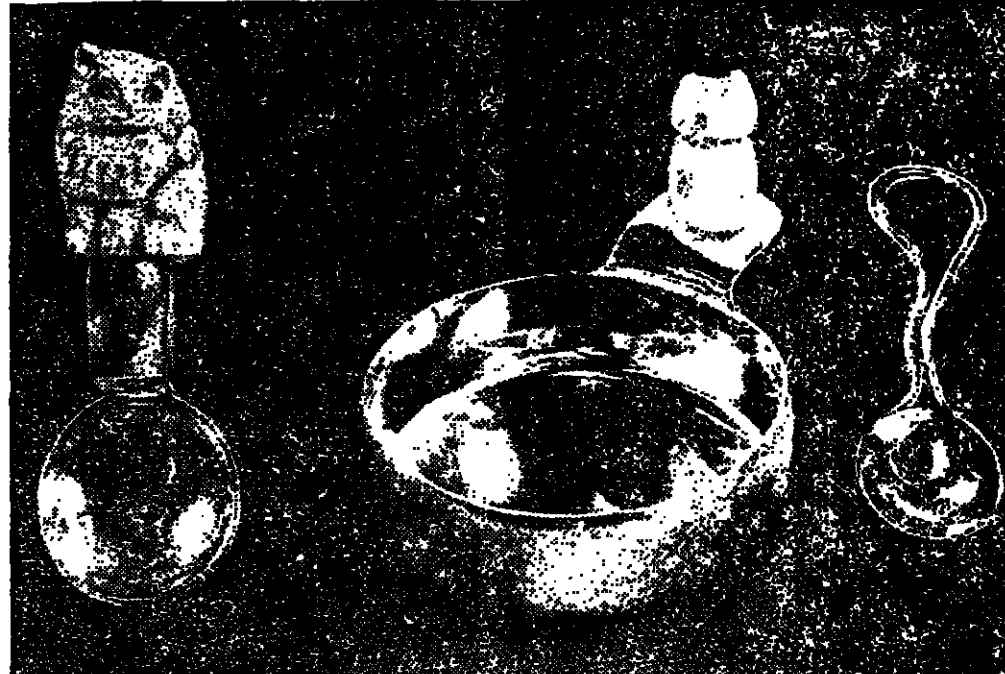


TWO FROM a set of three 9 carat gold hair grips embellished with silver beads and coloured pearls. The set is by Stuart Wharton and is £50.



There were some particularly enchanting necklaces of all sorts on show at Loot, though, alas, some of the nicest were not photographed. I particularly regret not being able to show Sarah Westwood's silver necklet with coral flowers and Elizabeth Whiddington's ivory, bone and silver necklace. However, two very interest-

ing and original necklaces are shown in the picture above. The outer one is by Cate Williams. It has a silk cord thread and very pretty, tiny oxidised silver daisies. It is £25. The inner one is by Ann Schutz and is formed from enamelled semi-circles, embellished with flowers and silver. £49.50.

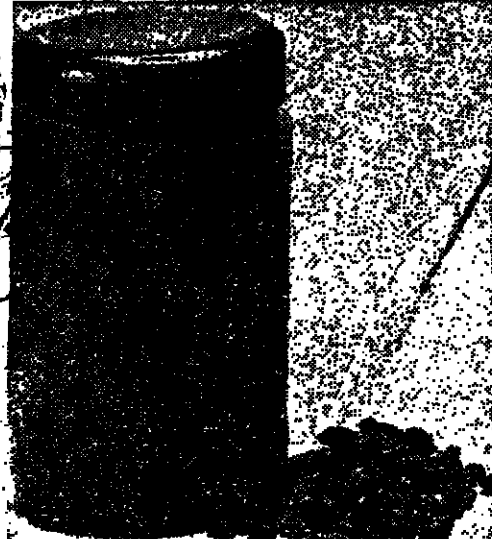


Above is a collection of silver ideas for Christening presents and as it is, in my experience, very difficult to track down original Christening presents I recommend all new godparents or grandparents to visit the exhibition. From the left: first are two silver spoons

topped by ivory cats by Mary Hoad. The smaller spoon is 2 1/2 inches long and is £32. The larger is more a cross between a spoon and a bowl and is £25. Finally, a curvy but otherwise simple silver spoon for £12 by Carlina Goffe.

Photographs by Leonard Burt

Fresh from the mill



NO, THAT coffee has become one of the great luxuries in life it is more important than ever to ensure that it is never served less than perfectly. In my view that means that it should always be freshly-ground; the difference in taste is incomparable. If you don't already possess one of those machines that does everything or you don't need such a machine, this new coffee mill from a German firm called Krups (but quite unrelated to the armaments firm) has brought out a singularly sleek and neat-looking model. Like all good coffee mills it has a safety switch so that the blades can't grind unless the lid is firmly in position. It grinds up to 1 1/2 oz of coffee in 20 to 30 seconds flat and the finer you want the beans to be, the longer you operate the machine.

The mill is in a very nice shade of mustard with a dark brown transparent lid and it's 6 inches high and 3 1/2 inches across. Like all Krups products it is guaranteed for 12 months and the company offers a 48-hour repair or replacement service. It costs £29.95 and is available from many good department stores. For a local stockist write to: Krups (U.K.), Rainham, Essex RM13 9QT.

Keep tabs on your towels

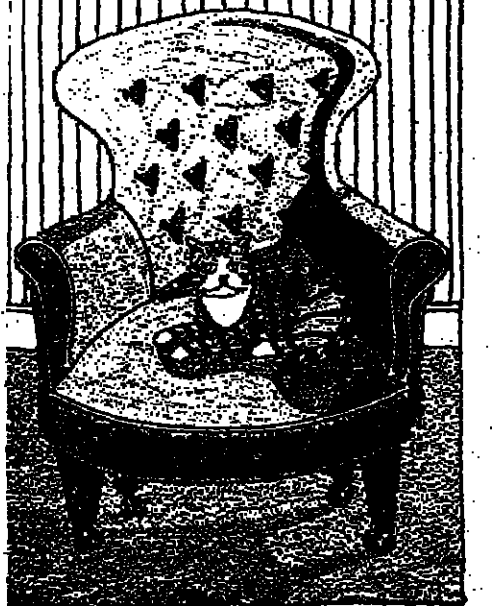
I FOUND that one of the most successful presents that I gave my children last year was a towel with their own name embroidered on it. They had got tired of never knowing whose towel was which and always suspected the other of having used theirs. So named towels seemed the answer. Barlow and Associates are well-known for their service in supplying what they describe as "middle of the road" quality towels and bathrobes with initials or names embroidered on them. They now feel that people who like to identify their personal possessions would perhaps like to pay just a little more and have top quality materials.

Towels are offered in six different colours (royal, coffee, mandarin, sunflower, pink and white) and four different sizes: 17 inches by 32 inches (hand-towel size) is £2.95 each; 23 inches by 46 inches is £4.95 each; 35 inches by 60 inches is £8.95 each while the large bath size, 40 inches by 70 inches is £12.50 each. Matching bathrobes, sizes 34 inches, 36 inches, 38 inches, 42 inches and 46 inches are £19.50 each. State whether for a man or a woman. There is a limit of 12 letters on towels and four on bathrobes.

From now on it is possible to have any of their towels or bathrobes in 100 per cent pure combed cotton towelling with mercerised cotton borders. It certainly feels marvellous and should absorb water and dampness easily and quickly, as only the best towels do.

Barlow and Associate are offering a 10 per cent reduction, plus free postage, on orders over £10 which are placed before August 1st. So, if appropriate, deduct the 10 per cent, and send your orders to: Barlow and Associate, Direct Sales Office, Williams and Glyn Bank Chambers, Adlington, Lancs. PR7 4EZ. (Delivery will be three weeks from receipt of order and payment.)

Silken threads among the gold



THE CASSON Gallery at 73, Marylebone High Street, London, W1M 3AR is run by Pan Henry whose excellent, though entirely personal and idiosyncratic taste, permeates the gallery. Nothing that she doesn't like crosses the door, though occasionally some things that she does like, but has painfully learned that she can't sell, don't either.

Starting on June 27th is a new exhibition by Celia Lambert whom Pan Henry has personally encouraged and nurtured until now there are some 30 of Celia's silk thread pictures on show. The technique has been developed by her and is, so far as is known, unique to her. All the pictures are formed entirely from silk thread and most reflect a cosy, charming, country, domestic life. The cat shown in our picture, left, is typical of Celia Lambert's work but other pictures might show garden scenes, trees, flowers, sheep, bumble bees, fruit.

One picture is called "Fortnum & Mason" and shows two cats called... Fortnum and Mason. Another is of two cats in the grass hunting bumble bees and butterflies.

All the pictures are sold ready-framed in gilt. Sizes vary from 10 inches by 8 inches to 18 inches by 18 inches and prices from about £80 to over £300.

Cooking with Philippa Davenport

CREATING A STIR

I REMEMBER being amazed and delighted—the first time—the speed with which a dozen dishes appeared only minutes after ordering; the sheer fun of dipping into such a variety of shared dishes; and, above all, the marvellous vegetables with their fresh colours and pleasantly crunchy textures, a delectably far cry from the traditional waterlogged British versions with almost all the flavour boiled away.

My home cooking was revolutionised by the purchase of a steamer—if you think about it logically, cooking above water, in gently rising steam, must be the obvious answer for delicate vegetables such as broccoli and leeks: immersion in bubbling liquid is virtually guaranteed to disintegrate delicate structures. I also soon became addicted to simmering—cooking more robust vegetables in a closed pan with a little butter and cream or wine stock plus herbs or spices until the vegetables are glazed and have absorbed more of the liquid. But it is only comparatively recently that I've attempted to emulate stir-frying.

In theory, stir-frying is very simple indeed. A small quantity of oil or fat is heated, often together with aromatics. Pieces of food are then added to the pan and quickly cooked by stirring and turning continuously so that each piece is coated with the oil, contact with the hot pan is evenly rotated and nothing burns. Meat, fish and vegetables are all suitable. They can be cooked together or separately and kept warm; then returned to the pan for final mixing and heating through. At this point a little liquid is usually added, and sometimes a thickening agent too, which bubbles up to provide a sauce.

What makes stir-frying complicated in practice (for the Westerner at least) is that the surface area of the pan is large and the pieces of food are very small; everything happens so fast that you need to be more organised and on the ball than is usual for European cookery. You need to keep both hands as well as both eyes on the pan throughout stir-frying so it is important to have all the ingredients prepared in advance and arranged neatly in bowls and saucers close to the cooker. Provided you do this, and provided you have seen to it that no other pots or pans will need your attention during the few minutes you are actually stir-frying, then all should go well.

But, be warned by my own over-ambitious experiences—unless you are an ace conjurer, don't try, as I did, to cook several stir-fry dishes for one meal until you feel completely at home with the technique. There is a great deal of difference between stir-frying one dish and stir-frying several simultaneously. It takes considerable practice to develop sufficient rhythm to cope with two, three or more such attention-demanding dishes at the same time with any real degree of success.

Try just one stir-fry dish at first, preferably on an evening when there are only two of you (no more than four) for dinner; and choose accompanying dishes that look after themselves or can be cooked ahead so you are free to concentrate all your attention on stir-frying.

Then, as your skills and confidence grow, you can go on building up the number of dishes accordingly.

As for ingredients, most of those used in these recipes are fairly generally available throughout the country. Oyster sauce, sesame oil and green (fresh) ginger are not always easy to find but well worth searching out. Oyster sauce and sesame oil are both exquisitely flavoured and keep well for ages in a cool larder so it makes sense to buy two or three bottles of each when you find them. A little anchovy essence plus a dash of tomato ketchup stirred into soy sauce makes a passable, although far less interesting, alternative to oyster sauce. I believe (but have not tried this) that peanut oil can be used in place of sesame oil, in which case add a little peanut butter to the liquid and ingredients (do not add it to the oil) to compensate for the flavour and texture that peanut oil lacks. Once found, green ginger will keep for a month or so in a small airtight screwtop jar put in the salad compartment of a fridge. If you can't get it, use a little freshly grated lemon zest instead. The flavour is quite different but it is infinitely preferable to using dried or ground ginger.

No special equipment is necessary. You need a sharp knife and chopping board for cutting up solid ingredients, small saucers for holding the prepared ingredients and cups or small bowls for mixing liquids. A wok and bamboo chopsticks may add to the atmosphere but any large paella or frying pan is perfectly adequate and I find a pair of wooden salad servers good for stirring and turning the food as it cooks.

All the recipes given here would make a good meal on their own for one person, or would do for two people if served with accompanying rice or noodles and salad. For four people you will need a combination of at least two of the dishes and some side dishes.

MUSHROOMS WITH PRAWNS

1 lb fresh mushrooms, 1 oz dried mushrooms, 1 lb prawns (shelled weight), 2 tablespoons cornflour, 1 teaspoon Worcester sauce, 1 tablespoon chopped green ginger, 1 tablespoon butter, 1 tablespoon olive oil, a good pinch of salt.

Put the dried mushrooms in a small bowl. Pour on just enough boiling water to cover. Stir, put a plate over the bowl and leave for half an hour. Wipe the fresh mushrooms clean, trim and slice them. Blend the cornflour with the oyster and Worcester sauces and stir in the salt. Peel and chop the ginger finely. Strain the liquid off the reconstituted mushrooms and reduce to 2 tablespoons by fast boiling. When cool, stir the reduced liquid into the cornflour mixture. Heat the butter and olive oil in a large pan over medium heat. Add the ginger and cook for half a minute so that its flavour impregnates the fat. Increase heat to high and, when very hot, add both types of mushroom and stir-fry for one minute. Push the mushrooms into an outer ring and add the prawns to the centre of the pan. Stir-fry for one minute. Then pour on the liquids and continue stir-frying and mixing the ingredients together for a further minute.

PORK WITH SALAD ONIONS

1 lb pork tenderloin, 2 tablespoons soy sauce, a bunch of salad onions (the trade has renamed what used to be called spring onions because, as it is rightly pointed out, they are available at other times of the year too), a small garlic clove, 2 tablespoons sesame oil.

Trim all fat and membrane from the pork. Cut the meat into very thin slices. Place it in a shallow dish, sprinkle the soy sauce and leave to marinate for 30 minutes. Trim and finely chop the salad onions (green parts as well as white). Crush the garlic. Drain the meat, reserving the liquid. Heat the oil in a large pan over high heat. Add the garlic and cook for 15-30 seconds to flavour the oil. Add the meat and cook, stirring and turning continuously for two minutes. Add the onions and continue cooking, turning and stirring for a further minute. Add the soy sauce and allow it to bubble up, then continue stirring and turning for about one minute more.

STIR-FRIED SALAD

2 large lettuce, 4 salad onions, 1 tablespoon cornflour, 2 tablespoons well-flavoured chicken stock, a good pinch of salt, 4 rashers streaky bacon, 4 tablespoons sherry, 1 teaspoon Worcester sauce, 3 tablespoons clarified butter.

Thoroughly wash and dry the lettuce. Cut any really large leaves into two or three pieces. De-rib the bacon and cut into tiny strips. Measure the sherry into a small bowl. Blend the cornflour with the stock and Worcester sauce. Trim and finely chop the salad onions, green parts as well as white. Melt the butter in a really large pan over medium heat. Add the onions and bacon and cook for half a minute. Add the lettuce, sprinkle the oil in a large pan over high heat. Add the garlic and cook for 15-30 seconds to flavour the oil. Add the meat and cook, stirring and turning continuously for a further 2 minutes. Then add the cornflour mixture, scraping it well from the bowl with a rubber-bladed spatula. Turn the lettuce in the mixture for half a minute or so until the sauce has thickened a little and become translucent.

CHICKEN WITH WALNUTS AND BEANSPROUTS

1 large chicken breast, 1 lb shelled walnut pieces, 1 lb bean-sprouts, 1 teaspoon cornflour, 1 tablespoon sherry, 2 teaspoons tomato purée, 1 teaspoon farrago vinegar, 1 teaspoon oyster sauce, 4 tablespoons vegetable oil.

Skin and bone the raw chicken and remove any fat. Cut the meat into strips about 1 inch x 1-1/2 inch. Mix the cornflour and sherry to a paste, then blend in the tomato purée, vinegar, sugar and soy sauce. Heat 2 tablespoons oil in a large pan over medium heat. Add walnuts and stir-fry for 2 minutes. Remove the walnuts with a slotted spoon and keep warm. Add another tablespoon of oil to the pan and increase heat to high. When very hot, add the bean-sprouts and stir-fry for 2 minutes. Remove and when hot, stir-fry the chicken pieces for half a minute over high heat. Return the walnuts and bean-sprouts to the pan. Pour on the liquids and continue stir-frying and mixing together for half a minute.

STIR-FRIED SPINACH

1 lb spinach, 1 large garlic clove, 1 teaspoon finely chopped green ginger, 2 tablespoons each of oyster sauce and soy sauce, 2 tablespoons sesame seeds, 4 tablespoons sesame oil.

Wash and thoroughly dry the spinach, discarding any yellowing leaves and very tough stems, but keep the leaves whole. Crush the garlic. Peel and finely chop the ginger. Mix the sauces to gether. Measure the sesame seeds into a small bowl. Heat the oil in a large pan (you really need a very large pan for this) over medium heat. Add the garlic and ginger and cook for half a minute to aromatise the oil. Then add the spinach (you may have to add it bit by bit) and stir-fry for 3 minutes, during which time the spinach will considerably reduce in bulk. Pour on the sauces, allow them to bubble up, then continue stir-frying for a further minute. Sprinkle on the sesame seeds just before serving.

BEEF WITH GREEN PEPPERS

1 lb rump or fillet steak, 3 or 4 celery stalks, 2 green peppers, 3 tablespoons oyster sauce, 2 tablespoons each of vegetable oil and sesame oil.

Remove any fat or membrane from the meat and cut into strips about 1/2 inch x 1 1/2 inches. Clean and finely slice the celery. Remove seed and pith from the peppers and cut the flesh into strips about the same size as the beef. Measure the oyster sauce. Mix the oils together. Heat 3 tablespoons oil over high heat. Add the celery and stir-fry for half a minute. Add the green pepper and continue stir-frying for a further minute. Remove the vegetables with a slotted spoon, put on a hot plate and cover. Add remaining oil to the pan and, when very hot, add the beef and stir-fry for half a minute. Return the vegetables to the pan and stir-fry, mixing all the ingredients together well, for a further half minute. Pour on the oyster sauce, allow it to bubble up, then quickly stir to coat all the ingredients.

HOME NEWS

Callaghan to brief candidates to-day

BY PHILIP RAWSTORNE

MR. JAMES CALLAGHAN is to address a private meeting of some 200 Labour Party parliamentary candidates in London to-day.

The Prime Minister, who may be accompanied by other senior members of the Cabinet, is expected to deliver a similar appeal for party unity to that made earlier this week to Labour MPs.

Though arranged some time ago, the meeting is now seen as part of the long-term preparations for a General Election next year which will be discussed at a Cabinet meeting to-morrow.

Mr. Anthony Wedgwood Benn, Energy Secretary, is expected to press the Cabinet at the Chequers talks to begin immediately to restate the economy.

A preview of Mr. Benn's arguments was given in a speech at Luton last night by his parliamentary private secretary, Mr. Brian Sedgemoor, who said that such a move was vital to Labour's General Election chances.

Coal incentives vital, warns Ezra

BY PAULINE CLARK, LABOUR STAFF

SIR DEREK EZRA, chairman of the National Coal Board, gave a warning yesterday that without an effective production incentive scheme the industry would have difficulty in meeting demand when the economy picked up.

Sir Derek's warning, at the annual conference of the super-union, the National Association of Colliery Overmen, Deputies and Shotfriers, comes ahead of renewed discussions early next week by the union-management working party which has been looking at the technical details of a new pit-based scheme.

Proposals for the scheme, which the industry would like to see brought into effect after the expiry of the Phase II pay policy, will then become the subject of formal negotiations between the National Union of

Commons gives approval to pit industry Bill

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE COAL Industry Bill, described by Mr. Alex Eadie, Energy Under-Secretary, as one of the most important pieces of legislation since nationalisation, was given a Third Reading in the Commons yesterday without a vote.

The Bill, which still has to be approved by the Lords, increases the borrowing powers of the National Coal Board from £1.1bn. to £1.5bn. It also allows the borrowing ceiling to be raised in two further stages to £3.2bn. and £3.5bn.

Productivity up by 25% at Clydeside shipyard

BY RAY PERMAN, SCOTTISH CORRESPONDENT

PRODUCTIVITY SAVINGS of that class delivered was more than a quarter have been made since Govan Shipbuilders, Glasgow, was formed from part of the collapsed Upper Clyde Shipbuilders in 1971.

Mr. Jimmy Milne, general secretary of the Scottish TUC, and a director of Govan—which is wholly owned by the Government—said yesterday the £28m. spent modernising the yard and its sister yard Scotstoun, was not simply to keep it from closure.

Since 1971, production targets for the 26,100 dwt Cardiff class bulk carrier, one of the three standard vessels the yard builds, had been reduced from 850,000 man hours to 600,000. Actual working time for the last ship

£1m. plan to test oil platforms

THE STRENGTH OF oil production platforms on three North Sea fields is to be monitored under a £1m. research and development programme.

Three groups will use electronic equipment to analyse the impact of wave action on steel platforms under a project supported by the Offshore Supplies Office of the Department of Energy.

The inspection and integrity monitoring of offshore structures

"We must do it now because we all remember how it was the failure of Roy Jenkins to act in time which lost us the 1970 election."

The Cabinet will also be discussing the prospects for the legislative programme next session and the renewal of its pact with the Liberals.

Mr. John Pardo, in a speech at Gloucester, said what was at stake was who governed Britain in the 1980s.

Soviet might 'major threat to Europe'—Thatcher

BY PAUL BETTS

ROME, June 24.

MRS. MARGARET THATCHER, the Opposition leader, said to-night one of the major threats facing Europe largely came from the "armed might and expansionist" aims of the Soviet Union.

Such a course of action could only benefit the rest of the world which is facing the grim and alarming prospect of long-term stagnation and low growth.

She referred at length to the Helsinki Agreement saying that nations could not be expected to choose only those parts of the world which they preferred.

She said Europe's financial relations with the Eastern bloc should form part of a coherent design, rooted in principles of

would feel that the political strategy on which he had embarked had failed. It could lead to his resignation, "but as far as I know there's no great movement to get rid of me."

Although Mr. Steel said more of his colleagues were now against the agreement than when it was signed, only Mr. Cyril Smith, the MP for Rochdale, yesterday betrayed any qualms.

While the popularity of the Labour Party continues to disintegrate as long as we're tied up with them we stand a good chance of going down the Swane with them too," he said.

Mr. John Pardo, in a speech at Gloucester, said what was at stake was who governed Britain in the 1980s.

North Sea oil would provide new opportunities but the resources would have to be used to modernise British industry and create a more egalitarian society.

"We must try to make it easier for the countries of Eastern Europe to choose their own policies and their own trading partners in accordance with the wishes of their own people."

"We have a role here which the U.S. with all its strength and eloquence cannot perform."

At home, there are those who blame the Community for all our problems. Others, a small but vociferous minority, would have Great Britain pull out."



Smiling Scots demonstrate outside the Beach Ballroom, Aberdeen, yesterday for the visit of Mr. Finn-Olav Gundelach, the EEC Fisheries Commissioner. In spite of the smiles, the Commissioner faced a mainly hostile meeting demanding an exclusive 50-mile fishing limit for Britain.

Gundelach says fish limit is 'no solution'

FINANCIAL TIMES REPORTER

MR. FINN-OLAV GUNDELACH, EEC Fisheries Commissioner, told a 700-strong audience of fishing industry representatives in Aberdeen yesterday that the problems of the U.K. fishing industry could be solved only within the context of the Common Market.

At a packed and largely hostile meeting of Aberdeen fishermen, skippers and crews, he said that he accepted the reasons behind the demand for an exclusive 50-mile limit but it was not the way to solve the problem.

Fishing was important on its own, but could not be seen in isolation because the economies of the EEC countries were not divisible. They faced an open world market and by necessity they had to act in concert.

"You cannot deal with it by saying this is mine; you cannot build economic co-operation that way. An exclusive zone is not the sign of that solidarity," he said.

Over-fishing by countries outside the EEC had been cut down by concerted action by them. Common market, no individual national measures are helpful at European country could stand

alone against other fishing powers and achieve this. "Only the European countries sticking together have been able to do this. It is an unavoidable argument for having a common fisheries policy," he said.

Later, Mr. Gundelach, speaking to a meeting of Grampian Regional Council Fisheries Committee, said he was willing to give a commitment to press for special treatment for the U.K. when he met EEC Ministers to decide the Common Market fishery policy, but it was not acceptable by other EEC countries.

The declaration of an exclusive 50 mile limit would cause disruption throughout the Common Market, Mr. Gundelach said after the meeting of the Grampian committee a few days ago.

"I was whacked and was very grateful that the inspector gave me a break," Mr. Allday, asked about a large increase in caesium disulfate into the Irish Sea, said that the problem had already been solved. All fuel brought to Windscale for re-processing was now properly sealed.

"The fuel which will come from Japan will be from their more modern reactors from which this problem has been eliminated. The inquiry was adjourned until Tuesday."

New radiation incident at Windscale plant

DETAILS OF a new radiation incident at the Windscale nuclear plant were disclosed by British Nuclear Fuels yesterday before the opening of the ninth day of the inquiry into 6000 expansion plans for the plant.

The company said that on Wednesday, while four process workers were handling waste packages containing small amounts of plutonium, the radiation monitors indicated airborne plutonium.

This had been caused by damage to one package. The workers immediately left the area and preliminary measurements suggested that there was no significant absorption of plutonium by them. The men had all now returned to normal working, said the company.

Decontamination operations were carried out promptly and normal working was resumed in the plant yesterday. The inquiry was adjourned until Tuesday.

Oil corporation hopes to sell Marathon rig

Financial Times Reporter

THE British National Oil Corporation is becoming increasingly confident that it will be able to sell the £14m. jack-up oil rig as it is spending at the moment on the world's demand for nuclear fuel is to be met.

This assessment was made yesterday by Mr. Bernard Duval, vice-president for exploration at Minatom, a French company in Europe, Australia and Western America. He was speaking in London at an international symposium organised by the Uranium Institute.

Current annual spending on uranium exploration was running between \$400m. and \$420m. (£233m.-£244m.), Mr. Duval said. As the industry needed to plan 15 years in advance an average of 120,000 tons or 160,000 tons needed to be added to reserves each year.

The industry will have to look outside the traditional supplying countries and countries with geological potential and sufficiently attractive economic and political conditions.

Half the industry's exploration investment was taking place in the U.S. and 30 per cent in Canada, Australia and Western Europe.

Dr. Michael Donndorf, the general counsel of the West German group, Urangeseellschaft, said European companies had tended to concentrate their effort and investment in Australia, Canada, the U.S. and South Africa because of their political stability and reliable commercial conditions.

"Relying on secured uranium supplies from those countries alone may bring problems. European mining companies cannot necessarily expect stable and satisfactory commercial conditions. There is good reason to spread these sources."

Scotch whisky trade worried by price wrangle with EEC

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THERE IS considerable concern in the rest of the Scotch whisky industry about the battle the Distillers Company is having with the European Commission over its trading practices.

It is being suggested that Distillers could shortly be faced with the difficult choice of sharply raising U.K. prices or reducing the export price for Common Market countries.

The argument between the Commission and Distillers, which handles about half the Scotch sold in the world, centres on the fact that Distillers U.K. price for Scotch, as much as 25p a bottle

lower than that charged to European customers. Some whisky traders estimate that it would cost Distillers £12m. if it reduced its Continental prices by only 5p a bottle.

More important, perhaps, Distillers rivals would have to dilute unit and reduce their prices, which would cost the balance of payments at least £20m. in lost earnings.

One alternative would be for Distillers to promise to increase the U.K. market price as quickly as the constraints of the price code would permit. It is almost certain, however, that Distillers' major rivals

would not be particularly forthcoming in this regard but take the opportunity to create their share of the market.

A team from Distillers' Brussels earlier this week talked to the Commission the problem.

It appears that the mission has been taken view that Distillers is in dominant position in market to the disadvantage of the consumer. The Commission seems to be arguing a French customer should be able to buy Scotch same price as a wholesaler the U.K.

Police deny Ulster allegations

By Our Belfast Correspondent

THE INCREASE in the number of brutality allegations against the Royal Ulster Constabulary was an indication of the growing police success against terrorism, Mr. Kenneth Newman, the Chief Constable, said yesterday.

Replying to recent charges against his force, Mr. Newman said the volume and nature of the allegations should not be interpreted as a worrying sign of police misconduct.

There was clear evidence that not only were allegations being manufactured, but that some prisoners in police custody were injuring themselves to throw blame on the RUC.

In the first quarter of the year, 804 suspected terrorists had been arrested and complaints had been lodged by or on behalf of 112 people. There were now more senior officers in the RUC complaints department than in any one of the force's anti-terrorist crime squads.

The official Ulster Party, led by Mr. Harry West, has finally severed all links with the United Ulster Unionist coalition.

The party's executive, which did not support last month's strike call by the Rev. Ian Paisley and Mr. Ernest Blyard, admitted at its meeting in Belfast yesterday that the three-year-old alliance had totally collapsed.

This follows the ending of the coalition of Ulster MPs in the Commons. It broke up when the strike started.

Yesterday's move by Mr. West's supporters leaves the way clear for a possible merger with other moderate Unionists, particularly Mr. William Craig's Vanguard Party.

Thames closes for boat race

FOR THE first time, the Thames will be closed to all traffic except commercial passenger vessels during the day in central London. For reasons of safety, Philip Morris, sponsor of the Marlboro Jubilee Cup powerboat meeting to be held on the Thames on July 2 and 3, has requested the Port of London Authority to close the river during the 11-hour Formula 1 race to be held on each day.

Hattersley promises lower inflation

BY DAVID FREUD, INDUSTRIAL STAFF

MR. ROY HATTERSLEY, the Prices Secretary, yesterday pledged that inflation would be down to single figures by the second quarter of next year. "We lose neither our will nor our nerve," he said.

He told a meeting of the North-West TUC in Manchester that the current rate of inflation of 17.1 per cent would be down to about 12 per cent by Christmas.

"We will continue to see a necessary reduction in the new year until when we get to what is called the second quarter inflation it will at least be down to the much heralded, much-promised, very necessary, single-figure level."

A 9 per cent rate was not good enough for a great industrial country but it would make a difference to the housewife and to exports, industrial confidence and expansion.

The Government was determined to pursue its policies. "As part of that there has to be some sort of agreement between the Government and unions about wages after August 1."

It might not be a formal Phase Three. It would be more flexible than the first two phases of incomes policy and would make allowance for diversity agreements.

"It will have to allow a turn to a pattern similar old differentials which have eroded and depressed rigidity of the previous policy which involved absolutely essential if national confidence is mined and the pound devalued again we are back on a inflationary cycle to a severe degree that for us prices will go up fast but wages increase will possibly negotiate."

Mr. Hattersley said inflation was brought control the economic process for the country would be less.

"If we lose neither our nerve the great pe new prosperity can be dawn. But to make our formula works the one in our policy which can and dominates everything has to be got right—and inflation."

"Surely, nobody is suggesting that now, after pretty tough and effective of self-discipline on a party, we should throw in the towel and the mistakes of 1974?"

"I hope not. And if I hope we have a Government strong enough to ignore the Government should have enough scar tissue to the disastrous events of the hold firm on most of the demands—reflation, food dies, more State intervention."

He challenged the claim of Thursday night by the Party's Manifesto Group prospects of reducing it were good if average increases were held at cent.

"This is loose and da talk. If earnings rise by cent then inflation will be 14 per cent, hardly the fall in the inflation rate of us believe the U.K. have," he said.

NEWS ANALYSIS—HEAVY INDUSTRY MERGER

The unexpected twist

BY OUR INDUSTRIAL STAFF

THE PROPOSED merger between Clarke Chapman and Reyrolle Parsons is an unexpected twist in the ten-year saga of consolidation in the electrical and boiler-making industries.

The two companies have been involved in several mergers listed in the table, but this is the first move to put the manufacture of boilers and heavy electrical equipment in the same organisation.

The starting point for rationalisation was GEC's hotly disputed takeover of Associated Electrical Industries, where the Industrial Reorganisation Corporation for the first time intervened in a contested bid to back what it saw as the superior management of Sir Arnold Weinstock.

It was clear that this deal would have a profound effect on the other companies in the electrical industry which was suffering at the time from over capacity; the problem was especially acute in the fragmented transformer sector and a number of possible mergers were under discussion.

Apart from GEC one potential leader in the rationalisation process was Hawker Siddeley, which had been in the electrical industry since 1907 when it acquired Brush. Another substantial company was created in 1968 in the North East when Reyrolle and Parsons specialists in switchgear and turbo-generators respectively, decided to merge.

In the meantime the IRC was working on an ambitious plan to re-structure the boiler-making industry, bringing together three of the four main U.K. companies—Clarke Chapman, John Thompson and International Combustion.

The fourth company, Babcock and Wilcox, was not involved. Although terms were almost

agreed, negotiations broke down over the unknown losses which gear. Reyrolle Parsons International Combustion was added to its interests in B nuclear power station contract. Bruce Peebles, the result is that what has been a highly fragmented industry has now been extended and though the still one of two significant industries which have stayed separate.

In 1968 the future of the electrical industry was again thrown into question by the Plessey bid for English Electric.

Plessey was primarily interested in the electronics side of the company and there was a possibility that if the bid had succeeded, English Electric's heavy electrical activities including turbo-generators, switchgear and transformers, might have been moved off to Hawker Siddeley.

However, the IRC again intervened and successfully backed an alternative approach—the merger between English Electric and GEC—which it felt would have beneficial effects for both the electronics and the electrical industries.

Hawker-Siddeley continued to expand its electrical interests though it has steered clear of heavy end of mechanical and turbo-generators and the heavy gear.

Large vertical advertisement on the right side of the page, partially cut off. Visible text includes 'Cairo of be', 'U.S.', 'pe', and 'More tag'.

OVERSEAS NEWS

Ethiopia hits out at U.S.

ETHIOPIA yesterday denounced the United States and put the capital under an extended curfew on the eve of a military parade...

Colons dismissed A Greek Government spokesman yesterday denied that a retirement of 126 colons from the army, announced on Thursday...

U.S. aid cuts THE U.S. House of Representatives last night ignored the Carter Administration and voted to cut by 5 per cent. the foreign aid programme...

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Cairo discounts reports of better Soviet ties

BY ANTHONY MCDERMOTT

CAIRO, June 24.

THE Egyptian government last night issued a statement saying that "no progress" had been made in improving relations at the talks held in Moscow between Mr. Ismail Fahmy, the Foreign Minister and Mr. Andrei Gromyko, the Soviet Foreign Minister, from June 8 to 11.

The statement indicates how far there is to go in ending the freeze in relations rather than a new phase of deterioration. The Moscow meetings had been taken as the first sign for over a year of a rapprochement. On June 18, President Sadat sent a noticeably warm message to Mr. Brezhnev congratulating him on becoming President of the USSR.

The immediate cause for the statement issued by the information ministry was to offset an over-optimistic report last Wednesday by the official Middle East News Agency from Moscow. This said that Mr. Fahmy's visit had paved the way for the normalisation of relations with Moscow, and that President Sadat would visit Cairo before the end of the year.

The statement said that speculation about the visit was "premature" and that "as much as

Egypt was keen to resolve these problems, there has been no progress in this direction. Nothing was said about the possibility of a visit by Mr. Gromyko to Cairo in August, which was mentioned by MENA. Relations with Moscow deteriorated badly after President Sadat expelled in 1972 20,000 or so Soviet military advisers. In March 1976, Egypt broke the Treaty of Friendship, and although there have been occasional tentative thaw, President Sadat, as he has grown closer to the U.S., has criticised Soviet policies strongly and consistently even to the extent of naming Soviet leaders' names in the series of his memoirs published recently. Sadat accused the former Soviet President Podgorny of having been insulting towards the Egyptian armed forces.

After the Fahmy-Gromyko meetings in Moscow it was suggested that the Soviet Union wanted an improvement in political relations before difficulties in other areas could be settled. There are several areas in which Moscow has been displeased with Egypt's conduct. Although there is general agreement on the overall lines for a settlement in the Middle East,

Moscow is unhappy about Sadat's thesis that the U.S. holds 99 per cent of the cards and regards this dependence as excessive. While Egyptian criticism of Libya's alliance with Moscow has diminished recently, Sadat has been critical of Moscow's African policies notably in relation to Zaïre and Ethiopia. The Soviet Union has also disapproved Sadat's moves after the January riots against left wingers in Egypt.

Egypt's main criticism has been of Soviet refusal to reschedule debts of between \$4bn. and \$7bn. It has also complained about arms deliveries having been made since 1975 and that Moscow has even provided third parties such as India from sending spare parts. The weakness of president Sadat's position is pointed up by the new Likud-dominated Government in Israel. Mr. Sadat desperately needs something positive from a peace conference in Geneva, at which the Soviet Union will be co-chairman with the U.S.

Meanwhile, the Soviet Union seems content to let time pass and wait until Egypt comes up with some concessions. It is hard to see what President Sadat can offer at present.

Soviet bloc takes a softer line in Belgrade

By Paul Lendvai

VIENNA, June 24

THE SOVIET bloc seems to be taking a more conciliatory line at the preparatory meeting in Belgrade: senior Soviet diplomats assured neutral and non-aligned delegations in informal talks last night that the Soviet Union does not intend to walk out from the talks to prepare an agenda for the substantive conference on European Security in October.

They stated that a three-point compromise based on the draft proposed by the nine neutral and non-aligned nations could be worked out if only the West took a more "constructive" attitude. It is now understood that the Soviet bloc is willing to accept some reference to a commitment regarding further follow-up meetings provided the review and the agenda does not separate the review of the implementation of the 1975 Helsinki Agreement from the general discussion on the development of détente.

This is the essence of the amendment proposed to the neutral draft by the Polish chief delegate, Ambassador M. Dobrowolski. Western nations said a clear separation between talks dealing with the review and talks taking up new proposals to allow a thorough debate on human rights.

Some experienced neutral Western observers expressed the view that Ambassador Y. Vorontsov's warning yesterday about "previous Western attitude which could lead to unpleasant consequences" was part of the war of nerves designed to split Western and neutral ranks.

Zambia steps up military defences

By Our Own Correspondent

LUSAKA, June 24.

PRESIDENT Kenneth Kaunda of Zambia took his military preparations against possible attack by Rhodesia a step further to-day by ordering Zambians to dig trenches and be ready to defend their country 24 hours a day.

At a press conference, he made clear his support for intensified warfare in Rhodesia had not wavered, and expected Rhodesian retaliation against him and against black nationalist guerrillas, loyal to Mr. Joshua Nkomo, who are based in Zambia.

The situation will get worse before it gets better, he said. "Between now and the end of the year, there will be something happening in Zambia."

While some analysts said the external threat may be intended to divert attention from domestic problems, there are growing indications that Zambia is seriously preparing for an attack, possibly including an air strike by the Rhodesians.

Private and charter planes have been ordered out of border air-space diplomats have been advised not to take their leave in frontier areas and President Kaunda has announced a full military alert.

Soweto—isolated clashes after tough police action

BY QUENTIN PEEL

JOHANNESBURG, June 24.

ISOLATED disturbances continued in the township of Soweto outside Johannesburg to-day, after police warnings of a tough response to any further trouble from Black students.

Riot police fired teargas into one schoolyard after claiming they had been stoned by the students there and at another high school pupils allegedly set fire to a tractor which was hijacked during yesterday's unrest.

The township remained extremely tense, with reports of stone-throwing incidents, and police warnings that they would round up any groups of youths roaming the streets.

Brigadier J. J. Gerber, Soweto's deputy police chief, said they would not tolerate any more trouble from students. "We can stand no further robberies, assaults, stonings, damage to property and general lawlessness," he said. "Strong, well-armed contingents of police are patrolling the Soweto complex."

Brigadier Jan Visser, the Soweto police chief who has been praised for his role in keeping violence to a minimum in the township over the anniversary of the outbreak of last year's riots, was quoted to-day as saying: "We are not going to stand for any more violence. Our patience has been stretched to the limit."

However, there were no further shooting incidents reported to-day, although teargas was used on several occasions to break up groups on street corners.

Major-General Dawid Kriel, Chief of Riot Police, today corrected a police statement made last night that two children had

died when a mechanical "horse and trailer" (articulated lorry) ran out of control. One child was injured and the other unhurt, he said.

But he revealed that a second person had been shot dead in yesterday's disturbances: the body of a woman had been found today in Klipspruit with a bullet wound, he said.

Yesterday's demonstrations, including the student march to the police headquarters in the centre of Johannesburg itself, brought one notable response from the normally heavily government-influenced news commentary on South African radio.

Mr. R. F. Botha, the South African Foreign Minister, said he had received thousands of letters from Americans supporting South Africa's position.

Mr. Botha also accused the U.S. of trying to outmanoeuvre the Soviet Union in Southern Africa by trying to be more radical than they are. Nevertheless he said at the end of his week-long argument that he has been having with the State Department about American pressure on South Africa to move towards the principle of one man one vote. The department responded within an hour of his Press conference with a measured rebuttal of Mr. Botha's charges for the second day in a row.

Mr. Botha said the U.S. is demanding that Pretoria meet "norms that do not apply in the rest of the world," and that U.S. policy would lead to "the destruction of white people." But, he said, he had received thousands of letters from Americans supporting South Africa's position.

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U.S. query on neutron shells

BY DAVID BELL

WASHINGTON, June 24.

THE CARTER Administration is being questioned closely in Congress about the report that the U.S. army wants to equip its European nuclear artillery forces with neutron shells which kill the enemy by radiation but do relatively little damage to buildings or weapons.

Sen. Claiborne Pell of Rhode Island said to-day he wishes to question the Arms Control and Disarmament Agency about a Washington Post report this morning that the army is seeking approval for a project to equip Howitzers with neutron shells. Last month it was disclosed that the Pentagon was seeking research money for a new neutron warhead.

The Defence Department had no comment this morning on the report, saying that the whole subject was highly classified and that no comment would be forthcoming. However, the Post said that the army is trying hard to get an appropriation that will allow it to develop neutron shells.

Unlike conventional nuclear blasts which destroy property as well as people, the neutron warhead would kill the enemy with massive doses of radiation but do little other damage. Work on it has been in progress intermittently for more than 20 years, but it has some major disadvantages, the chief one being that

neutron warheads do not immediately kill the enemy who thus has some time in which to respond to an attack before the radiation overwhelms him.

Sen. Pell said Congress would want to know how the Warsaw Pact might react to the eventual deployment of these neutron shells, whether they would make a tactical use of nuclear weapons more likely and whether their development would further complicate attempts to get a comprehensive ban treaty with the Soviet Union. He said he would ask Mr. Paul Warnke, head of the Arms Control and Disarmament Agency, to answer these points.

Sperm whale quota cut by 90%

BY KENNETH RANDALL

CANBERRA, June 24.

THE 1978 sperm whale quota for the North Pacific—most contentious issue of this week's annual meeting of the International Whaling Commission—has been cut back by nearly 90 per cent, but open to review later in the year.

In its final session to-day, the IWC adopted a zero quota for male sperm whales in the North Pacific, compared with this year's 4,320. The quota for female whales is 700 compared with last year's 2,880.

Countries mostly affected by the decision, Japan and the Soviet Union, will probably find the level of whaling activity in the sea far. Along with Denmark, they opposed the quota, recommended by the Commission's scientific committee, but it was adopted on a vote of 11 to 3, with the United States leading the majority.

The Japanese and Soviet delegations are expected to make an all-out effort to have the quota raised substantially before the North Pacific whaling season starts, in May next year. IWC rules allow a 90-day period for

objections to a decision of this type and the three opposing members may do this as well as preparing detailed cases for a special meeting of the scientific committee to be held in London in November.

Depending on the outcome of the November meeting, the IWC chairman, Mr. Arthur Bollen, of Australia, is empowered by to-day's decision to call a special meeting of the Commission to consider amending the quotas. Most officials sources here to-day seemed convinced, however, that a special commission meeting would not be justified unless a substantial quota increase was in prospect.

Opinion on that likelihood was equally divided.

For the Southern Hemisphere, sperm whale quotas were raised slightly after the 50 per cent cut made last year. For 1978, they will be: male 4,533 (3,894 in 1977), female 1,370 (897).

Shares in Beach have been a strong market in New York lately, rising something like a quarter this month to around \$28. This puts a market value of \$185m. on Beach, or just over \$100m.

A joint statement declared yesterday that officials of both companies have held preliminary discussions concerning a possible merger. These were continuing.

BASTOGI FINANZIARIA announced that it had sold most of its interest in Italcementi to conform to a law that became effective Thursday midnight prohibiting interlocking share ownerships. AP-DJ reports from Rome.

Bastogi did not say to whom the interest was sold. Bastogi had held 850,000 shares in Italcementi, or 10.6 per cent of the total outstanding. It amounted that it had reduced its holding to the legal maximum of 2 per cent.

Italcementi in turn controlled Italmobiliare, which owned 19.2 per cent of the Bastogi shares. It was not known whether Italmobiliare had sold its shares in excess of 2 per cent of the Bastogi total.

FINANCIAL AND COMPANY NEWS

Statsforetag's losses

BY WILLIAM DULLFORCE

STOCKHOLM, June 24.

STATSFÖRETAG, the Swedish late holding company, will take a pre-tax loss of around 1.1bn. (€130m.) in 1977. Mr. Sköld, the managing director, forecasts in the interim report for the first four months.

The reason is the continuing deterioration in the performance of the group's four raw material concerns.

Last month Mr. Sköld warned that Statsforetag was too heavily engaged in heavy base industries and asked the Swedish Government and Parliament to define more clearly the company's aims.

Mr. Nils Aasling, the Minister of Industry, said earlier this week that a re-organisation of the group was being studied.

The four heavy industrial companies—LKAB (iron mine), NJA (steel), ASSI (forest products) and Beral Kemi (chemicals)—recorded a combined loss of Kr.435m. in the first four months. They account for almost half the group's Kr.2.9bn. (€365m.) turnover, which dropped by over 5 per cent compared with the first four months of 1976.

The remainder of the 30-odd companies in the group almost all had losses in 1976. The group increased its long-term borrowing by Kr.745m. during the four

months including \$40m. and DM100m. bond loans taken up by Statsforetag. Liquid assets remain good mainly because of the state grant to NJA.

BEACH AIRCRAFT, the Kansas manufacturer of light aircraft whose name has been linked in the past with Hawker Siddeley, is having merger discussions with General Dynamics.

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An unexciting package

AS THE discussions between the Government and trade union leaders about the future of pay restraint move slowly towards a conclusion, it is becoming clear that Phase Two was relatively successful.

The relative success of Phase Two is all the more impressive when the rise in average earnings is compared with the rise in prices over the same period, which has been roughly twice as great.

Unemployment

It was the more surprising until recently, since the statistics suggested both that a sharp rise had taken place in the amount of overtime worked and that the underlying trend of unemployment had turned down.

Letters to the Editor

Voting
From Mr. David W. Green.
Sir—One of the arguments used against the introduction of proportional representation is that it invariably produces indecisive results.

Starting up

From Mr. H. A. R. Stevens.
Sir—I was naturally interested in Mr. Bell's view on June 17 that "the banks and other financial institutions, the Government and even the large companies might do more to help" experienced managers start their own businesses and have the following comments.

Co-financing
From Mr. S. R. Dixon-Fyle.
Sir—Both the idea of institutionalised "co-financing" between the International Monetary Fund and commercial banks (David Bell and Stewart Fleming, June 15) and the banks' expectation that it might facilitate co-operation towards increasing lending to developing countries require careful scrutiny.

Bank pay
From Mr. Jim Nokes.
Sir—I applaud the decision of Mr. Aspinall and his CBSA to seek to redress bank staffs' deplorable pay situation vis-a-vis rocketing and out of control price rises of the past two years.

The tills ring to Britain's boom in tourism

BY PETER RIDDELL

THE sharp increase in the number of foreign tourists coming to Britain, and in their total spending, has been one of the most dramatic results of the fall in the sterling exchange rate in 1975 and 1976.

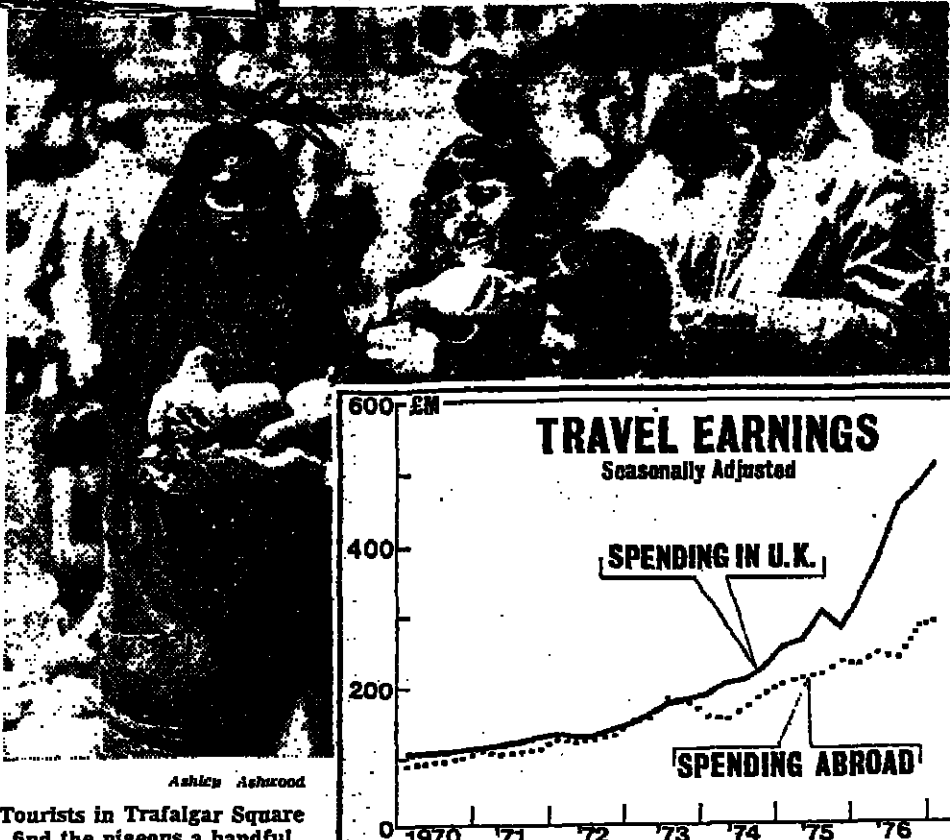
The total number of foreign visitors to the U.K. rose by 15 per cent last year, which boosted gross travel earnings by 45 per cent to £1.63bn.

Travel surplus rose
On the other side of the account, the increase in the value of foreign currencies (corresponding to the fall in the pound) and the general squeeze on living standards in the U.K. has resulted in a much slower growth in spending overseas by British residents.

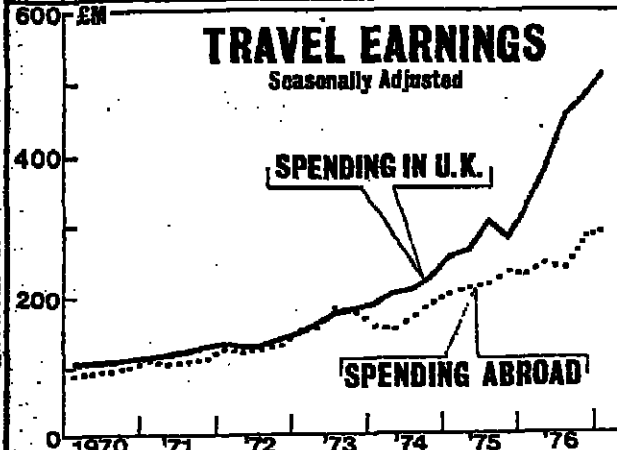
required may have been drawn from outside the previous potential labour force — for instance part-timers and temporary foreign staff in the hotel trade.

Oxford Street
This spending is, of course, heavily concentrated in certain areas, notably central London where one leading Oxford Street retailer recently estimated that as much as 70 per cent of his sales in the summer went to overseas visitors.

Omens not good
What is alarming some observers is that Britain seems not to have noticed how sensitive an industry tourism is and how easily a recession can be turned into a recession.



Tourists in Trafalgar Square and the pigeons a handful



But visitors bring both pain and pleasure to the natives

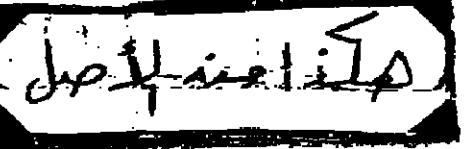
BY ARTHUR SANDLES

IT HAS BEEN clear over the past week or so that the tourism backlash is building up. The burghers of Edinburgh are bothered by coaches, the elegant residents of Knightsbridge are being bused by tourists in Harrods, and in High Streets throughout the country their D, F and NL licence plates decorate the kerbsides—in spite of yellow lines, single, double and triple.

love 'em and hate 'em at the same time. While spending millions on promoting the U.K. abroad it refuses to spend a few thousand on recruiting more immigration staff for Heathrow, where passport delays are now said to be a greater irritant to passengers than baggage hold-ups.

Some of the worst wounds... are the ones that don't show. EX-SERVICES MENTAL WELFARE SOCIETY. 37 Thurlow Street, London SW7 2LL. 01-534 9588.

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The Hunts and the soya beanstalk

MORE than 50 years ago, a stereotype of the successful American businessman depicted an eccentric, ruthless cigar chomper, shortage of brain power less than his ability to maneuver the market in Peruano before breakfast and a million by dinner.

From what we now know, lives of such as Howard and J. Paul Getty we see that this particular type, favoured for example by P. G. Wodehouse, estimated the intelligence of a tycoon and did not do justice to his peculiarities. But it did catch the essence of the Americanist whose present day bearers include the sons of late Haroldson Lafayette.

They have been in and in the news repeatedly. Just as they are in the news, some of the work in the futures that have a richly bizarre father "H.L." it would have been difficult for his five not to have inherited characteristics that might have been apart from their fellow H.L. died a little over two ago, having accumulated his 85 years a personal net worth of \$200m., two at least 10 children and a fortune in right-wing politics made him a natural and supporter of the late Joe McCarthy.

He died from his purchase of 10 of oil leases covering 100,000 acres of Texas soil which recently yielded one of the oil finds of the period, according to some estimates \$100m. in the first 10 months.

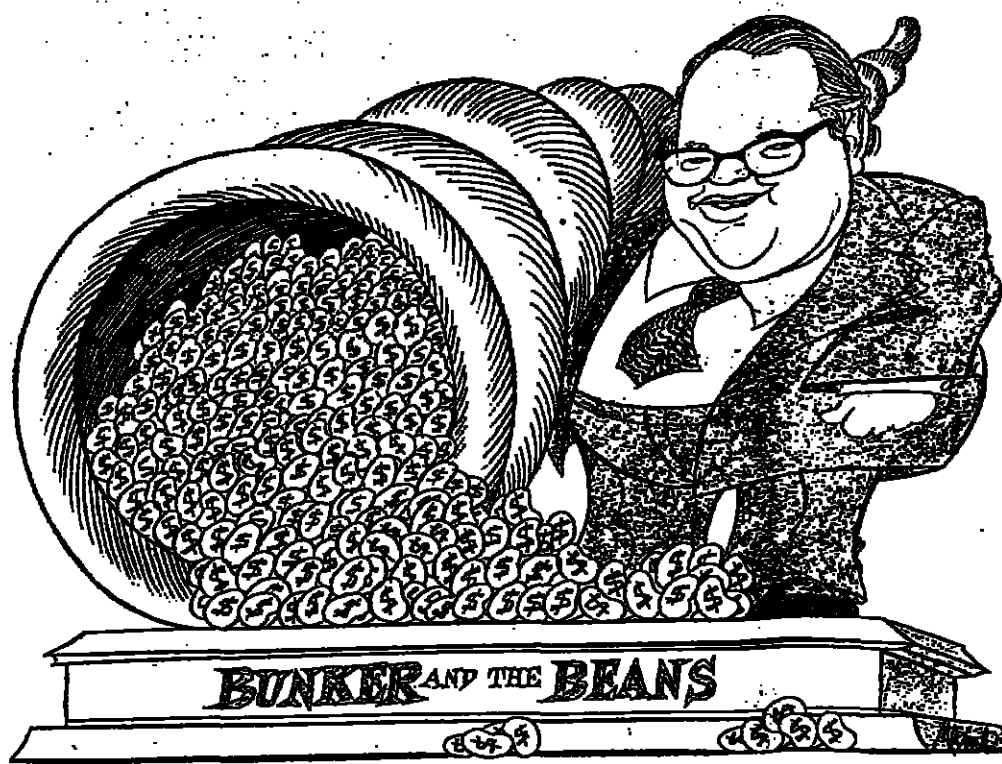
His tangible legacy to his five sons and five daughters was a multi-billion dollar empire based on oil, gas and real estate, but growing in half a dozen other sectors besides. More intangibly, H.L. appears to have passed on to four of his five sons (according to the family records, H.L. retired in his twenties after a nervous breakdown) his talent and his appetite for making money, purely for the sake of the exercise.

Nelson Bunker Hunt, Herbert, Lamar and Ray have shown no inclination to sit and grow old on their inheritance. They have used their money to make more money, but in the process their most prized asset—the secrecy of their activities—has been eroded.

In spite of their determined attempts to avoid it, the spotlight has repeatedly focused on the brothers in the last three or four years, starting with indictments for illegal wiretapping against Bunker and Herbert, and continuing with forays into the commodity futures trading markets. This week the family has been exchanging shots in a Chicago court with the Commodity Futures Trading Commission, a federal agency which has accused the Hunts of breaking the rules on soybean trading.

Since most members of the family go out of their way to avoid journalists, most of the public's knowledge of H.L.'s sons is anecdotal.

All four are reportedly abstemious and frugal, shunning the public trappings of tycoons. The eldest, Bunker, aged 50, is remarkable chiefly for his lack of resemblance to the modern jet-setting millionaire stereotype. Crumpled suits drape a body which is apparently regularly subjected to crash diets, but



which, two years ago was reported to weigh 240 lbs.

In common with his brothers, Bunker has a passion for sport. His favourite relaxation is said to be bar-room discussion of American football where he can display a remarkable memory for statistics. Bunker's interest in horse racing is equally intense, and he is the owner of a fine stable which friends say is his only real extravagance.

Herbert, aged 47, is reputed to eat, drink, and sleep business, but takes time out to attend regularly at the Episcopal Park Presbyterian Church in a Dallas suburb. Lamar has given the family's interest in sport a financial expression with investments in American football, professional tennis, and American soccer. At 33 Ray is the youngest, and the only son by H.L.'s marriage in 1937 to a secretary from Shreveport, Louisiana, by whom he had already fathered four daughters.

Some outsiders believe that Ray has all of his father's fair and that his diversification into highly profitable non-oil investments in the Dallas area could make him almost as much money.

The personalities alone of the male Hunt heirs might make promising material for a Harold Robbins novel, but their activities suggest that fiction cannot be stranger than fact. Take, for example, a happening in 1970, when two private detectives were arrested in a Dallas suburb with wire tapping and electronic surveillance equipment outside the home of one of H.L. Hunt's most favoured and long serving associates, Mr. Paul M. Rothermel, Jr. Under interrogation the detectives said that they were working for Bunker and Herbert, and when the case came to court in September, 1975, the two brothers admitted to wire tapping but claimed that they were trying to catch embezzlers who were attempting to rob the Hunt Oil Company of millions. Herbert attributed their subsequent acquittal to the family's fortune, adding

that extreme wealth was needed to fight government prosecutors successfully "when they are out to get you."

Both the wiretapping and the remark would appear to indicate a certain lack of trust in the outside world. According to Mr. Rothermel his telephone had been tapped because he was urging H.L. to leave control of the Hunt Oil Company, which he subsequently did, to the children of the second Mrs. Hunt. There were, however, more than enough jewels in the Hunt crown to go around—there were 21 separate listings for the Hunts and their businesses in the 1975 Dallas telephone directory. Although H.L. did divide some of his legacy between his two families, there are no known irreconcilable differences and the two sets of children have shown a capacity to work together. The family does not believe in putting its money into businesses it cannot fully own and control. "Our philosophy is not one of promotion of stock and promotion to the public," Lamar is reported as saying. But at the end of 1974 Bunker and Herbert found themselves owning 61 per cent of a public company, Great Western United, whose chief asset is a concern which processes more than one fifth of America's sugar beets.

The story of that acquisition has been put forward as evidence of the family's "calculated recklessness" which was epitomised by H.L.'s passion for gambling. It may be an apocryphal story that he won his first oil well in a game of five card stud. According to reliable reports, Bunker and Herbert were persuaded to put up \$3m. to buy Great Western United although they knew nothing about the company.

After they had bought the stock their investigations showed that the company had poor prospects and weak management, but instead of cutting their losses they spent \$30m. to acquire control and to protect their original investment. Bunker is now chairman and Herbert president of Great Western United.

It was no coincidence that the first purchase of Great Western shares was meant to be a worthwhile speculation in an allegedly promising commodity stock. Spending money to make money on commodities futures seems to have been a dominant theme in the activities of the two men during the last three or four years. In 1973-74 there was a well publicised venture into the silver bullion futures market when contracts for up to 60m. Troy ounces were bought. Such is the secrecy of commodities trading (down less one of its attractions to the Hunts) that the profits they made are and were anybody's guess, but one estimate was \$100m.

The chosen commodity this year is the soybean—a great deal more prosaic than silver, but potentially no less profitable if traded shrewdly. Around the end of April Bunker and Herbert together with five other members of the family purchased 22m. bushels of soybeans futures contracts. Each bushel weighing some 60 lbs yields 48 lbs of soybean meal, which is used as a livestock feed, and 11 lbs of soybean oil which is processed into margarine, salad and cooking oils and has a multitude of other industrial uses. Whether by accident or design the Hunts have walked into the soybean market in the very year when

prices are rising because of the threat of a temporary shortage. The soybean season ends on August 31 and the new harvest does not really get under way until some time in October. Last year some 245m. bushels were in stock in tide traders over this hiatus between the end of one crop season and the start of another. But the official Agriculture Department estimate for this year's harvest is only 65m. bushels, which means that there could well be an acute shortage.

Whether ownership of one third of the available U.S. soybean supply means that the Hunts have cornered the market is a matter for technical debate, but the Commodity Futures Trading Commission says that the family has violated its rule that a trader must not hold more than 3m. bushels in futures contracts. The members of the Hunt family say that their individual holdings are no greater, but the commission argues in response that the Hunts have acted together and must be viewed as a single trader. Whatever the outcome of the suits filed by the Commission against the family, the Commission reckons that the Hunts made anything between \$30m. and \$100m. between January and the end of April through the buying and selling of futures contracts.

All of this is further testimony to the money-making skill of the Hunts, a talent which has long been recognised by their associates. One commodities broker spotted Bunker Hunt at a gold experts' forum a couple of years ago and mused: "I don't know why Bunker chooses to come to these things. It's like having Gainsborough sit in on a beginners' water colour class."

LABOUR NEWS

Closed shop—NUJ resident's attack

CHRISTIAN TYLER, LABOUR CORRESPONDENT

GIBSON, chairman of negotiations. "Whoever makes a Longman, was accused of the first move out of the ranks of preventing negotiation on the management side will be the closed shop dispute seen to be questioning the subsidiary, the Westminster Press provincial newspaper."

He described the statement of Lord Gibson—who is also chairman of the Financial Times—as "an act of unusual propriety, an act of managerial and political extremism."

Mr. Devine, speaking at Darlington, added the closed shop and freedom of the Press issues were separate, and should be separately debated.

Printing unions may support the strike unless the dispute is resolved. Mr. Bill Keys, chairman of the TUC printing industries committee and Mr. Ken Morgan, general secretary of the NUJ, are seeking a meeting with Lord Gibson next week.

A group of striking journalists at the Northern Echo, Darlington, last night made an unsuccessful attempt to occupy the newspaper's offices.

Ferry peace bid

BRITISH RAIL has made new proposals to the National Union of Seamen to avert a threatened series of 48-hour strikes on ferries at Dover and Folkestone. The union will study the offer on Monday.

British Steel set to close West Greenwich plant

DAVID CHURCHILL, LABOUR STAFF

BRITISH STEEL Corporation has announced that it will close the West Greenwich plant in South-East London steel-works where 80 workers have been struck for six weeks.

SC say that the closure due to the strike but a market for the output of re-rolled steel. Strikers at East Greenwich after the steelworkers' strike on May 11 public unions' strike against management warnings could lead to disciplinary action. Workers were subsequently dismissed because they refused disciplinary warnings. Others were reprimanded when the plant shuts on July 8.

Home lift staff end strike

PAULINE CLARK, LABOUR STAFF

150 striking lift maintenance engineers from Otis in Leeds, Glasgow and other centres, the staffs were considering an industrial action.

In London, there still little hope of an early dispute which has left office workers and lift staff without lifts for up to 10 days.

More than 850 engineers ended on strike yesterday, leaving only a skeleton staff of supervisors to maintain an emergency service for hospitals and hardship cases.

Air cargo hit

AER LINGUS, the Irish airline, is losing cargo service at Heathrow Airport because members of the Transport and General Workers Union are in dispute with the management over manning levels. The staff are refusing to keep order books up to date.

Brae Field groups agree sales deal with BNOC

BY RAY DAFTER, ENERGY CORRESPONDENT

OIL COMPANIES with interests in the North Sea Brae Field have agreed to sell a major share of any oil produced to the British National Oil Corporation under an outline State participation agreement announced yesterday.

The Brae partners, led by Pan Ocean, have still to decide to develop the field, which lies in block 16/7, north-east of Aberdeen. So far the field has proved to be a puzzling geological prospect, difficult to evaluate in commercial terms.

As a result unofficial estimates of recoverable reserves have varied widely, from as much as 1.1bn. barrels (which could make Brae one of the biggest fields in the U.K. sector) to as little as 350m. barrels. The group is now drilling the eighth exploration and appraisal well on the block.

The Pan Ocean group has still agreed to sign definitive participation terms within 150 days, however. It will be the latest in a series of agreements which is giving the corporation a growing influence in North Sea activities.

So far the corporation has gained access to 30m. to 40m. tons a year of North Sea crude oil through participation agreements, its equity interests and royalties.

It could gain Brae oil in all three ways. The outline agreement allows the corporation to obtain, take or own at market prices up to 51 per cent of all the crude oil produced from Brae. As it already has a 20 per cent equity stake in the Pan Ocean consortium it will not need to buy 31 per cent of the partners' output.

Unlike the agreements with BP, Shell, Esso, Mobil, Amoco and others, the Pan Ocean partners have not negotiated the right to buy back quantities of participation oil from the corporation.

This provision was incorporated to protect supplies of oil to companies which have refineries and downstream operations in the U.K. None of the Pan Ocean partners operates U.K. refineries.

The Brae Field deal also gives the State corporation an "effective veto" in the management of the field together with a specific vote. This will be on top of the influence exercised by it as a partner.

The Brae group comprises: Pan Ocean (32 per cent); Bow Bailey (14 per cent); Ashland Oil GB (6.3 per cent); Ashland Oil Canada (1.4 per cent); L.L. and E. (6.3 per cent); Sunningdale (5.0 per cent); Saga (4.0 per cent); Slebens (3.0 per cent); and the British National Oil Corporation (20.0 per cent).

So far the Government and State oil corporation have concluded participation deals with Gulf, Continental Oil, Tricentrol, Ranger, British Petroleum, and Santa Fe.

Outline agreements have been signed with Occidental, Amoco, the Union North Sea Group, Shell, Esso, Mobil, Amerasia Hess, Texas Eastern, Deminor, Chevron, Texaco, ICL, Murphy and Ocean Exploration.

City's equity bank to invest £750,000 in Renwick Group

BY MARGARET REID

THE CITY'S equity bank, Equity Capital for Industry, has agreed, as its second investment, to inject £750,000 into Renwick Group, the motor trading concern which has just announced that it returned to profitability in 1976-77 after two years of losses.

The new cash backing from the bank, which is financed by investing institutions, is being accompanied by a strengthening of the management of Renwick, as was also the case when the bank recently made its first investment, of £12m. in Bond Worth Holdings.

Dr. Thomas Wilton Renwick's chairman, has said he intends to retire after the special shareholders' meeting to approve the new financial arrangements and three new directors, well known in the banking and industrial world, are joining the Board in a non-executive capacity.

The new directors are Mr. George Burnett, at present head of domestic banking at the National Westminster Bank; Mr. Michael Frank, formerly a director of Beaverbrook Newspapers and now on the Board of Blundell-Permoglass; and Mr. Stephen Hinchliff, deputy-chairman of Dowty Group.

The Board of Renwick, which earned a profit of £477,000 before tax and extraordinary items, in the year to April 1977—compared with a £589,000 loss in 1975-76—but is paying no dividend, is confident the company is in a recovery situation.

Conscious of the need to rebuild the capital base after the adverse experience of the previous two years, it has been examining alternative ways of raising new capital so that the capital base and gearing would be such as to allow investment plans to be speeded up and working capital provided.

Clearly, a rights issue would not have been easy in existing circumstances.

Equity Capital for Industry is to subscribe at par for £750,000 of 10 per cent (net) cumulative redeemable preference shares, convertible into one ordinary share for 32½ nominal of the convertible shares between 1979 and 1987. Renwick shares were up at 25½ last night.

In line with its policy of giving shareholders a chance to share in its operations, it will make half the new convertible shares available for subscription by the public if desired.

Renwick is hoping for a continuation of its trading recovery in the present year, allowing dividends to be resumed after a two-year gap.

Mr. Alan Barrett, the equity bank's chief executive, said yesterday: "We feel this is a good company in a strong recovery situation and that, with a strengthened Board, it should go ahead."

Experts give chemical plant blast warning

EXPERTS have said that an explosion of vapour at the Vinatex plant at Staveley, North Derbyshire, could damage homes and schools up to a mile away, according to Mr. Michael Kennedy, chief planning officer of Chesterfield Borough Council.

Mr. Kennedy told a public inquiry at Chesterfield yesterday that there was also thought to be a risk of poison gas being released from neighbouring plant in the event of an explosion on the Vinatex site.

Vinatex is appealing against failure of the council to give a decision on its application to spend £20m. expanding the plant and doubling production of PVC to 120,000 tons a year.

PARIS, June 24. MR. DENIS HEALEY, the Chancellor of the Exchequer, today said that while there would be no fixed figure for wage increases in the next stage of the pay policy, there should at least be a "normal expectation" around which earnings would move.

This would have to be much lower than the 10 per cent ceiling he is seeking on earnings in the 12 months from August this year, he said in Paris where he was attending a ministerial meeting of the OECD.

In a radio interview and a subsequent Press conference, Mr. Healey spelled out his hopes in greater detail than he has so far done in public.

It was not enough, he said, for the TUC to agree that a full 12 months should elapse before new pay claims were made. It would have serious psychological effects if people immediately put in for big increases as soon as the time was up, he said.

Secondly, something had to be done for people who did not qualify for productivity bonuses under the new arrangements. He intended to discuss both these points with the TUC in the coming weeks, the Chancellor said.

He accepted the restoration of differentials had to be taken into account in a more flexible system of wage bargaining.

Mr. Healey ruled out a major new package of economic measures next month. The Government would have to wait until it had a clearer idea of the future level of wage settlements and the trend in the balance of payments, he said.

Economic Diary

TO-MORROW—Special meeting of Cabinet at Chequers to discuss future strategy and programme for next Parliamentary session. Liberal MPs and peers meet to discuss Labour Party pact. St. Ermin's Hotel, S.W.1. National Savings monthly progress report (May).

MONDAY—White Paper on transport policy expected. EEC Tripartite Conference, Luxembourg. Special council meeting of EEC. Fisheries Ministers, Luxembourg. Public inquiry opens into proposed petrochemical complex at Mossman and Braeford Bay, Fire Town Chambers, Dunfermline. Quarterly analysis of bank advances (mid-May). Bricks and cement production (May). National Food Survey report on consumption (1st qtr.). Mr. Merlyn Rees, Home Secretary, opens State of the Prisons conference, University of Kent.

TUESDAY—EEC Transport Ministers two-day meeting begins, Luxembourg. House of Commons debates energy. King Report on Gas Explosions.

WEDNESDAY—European Council two-day meeting opens, Lancaster House, W.2. Labour Party national executive meets, Transport House. Statement by Mr. Clive Jenkins on ASTMA quarterly economic review.

THURSDAY—National Gas Consumers' Council annual report. Mr. Peter Shore, Environment Secretary, at Housing in the Economic Strategy conference, Navy Place, W.C.2. Energy Trends publication. Department of Employment Gazette will include employment in production industries (April) overtime and short-time working in manufacturing industries (April), stoppages of work due to industrial disputes (May). First quarter revised figures for capital expenditure by the manufacturing, distributive and service industries, and manufacturers' and distributors' stocks.

FRIDAY—British shipbuilders Vesting Day. Changes in customs duty charges come into force. Law Society annual report.

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THE INVASION OF LIVERPOOL

COMPANY NEWS + COMMENT

Scapa jumps £3.4m.—raising £2.7m.

TAXABLE PROFIT growth accelerated in the second half as Scapa Group and finished the year to March 31, 1977 ahead £3.7m. at £7.63m. after a £1.08m. advance to £6.55m. at halfway. With the results the directors also announce a one-for-five rights issue at 72p to raise some £2.7m.

The results for the year confirm the forecast made at this time last year and reiterated at the interim stage. The directors say that the improvement in trading was encountered across the whole spectrum of the group's products and geographical areas of operation. Activities remain at the same level of activity and order books continue to be healthy, they add.

Yearly earnings per 25p share are stated at 20.5p (11.1p) and the final dividend payment is 2.4538p net for a 4.5338p (3.958p) total.

DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corresponding div. year	Total last year	Total this year
E. Austin	2.34	July 28	2.13	3.48	3.17
John Brown	2nd int. 5.2	Oct 6	1.75	7.8	2.5
Clyde Blowers	0.83	July 29	0.53	3.75	3.18
Coal and Laid. Trust	3.75	Aug. 5	2.4	5.75	2.5
James Cropper	0.5	Aug. 5	0.25	0.75	0.25
Eucalyptus Pulp	5	July 22	3.5	5	5
Grange Trust	int. 0.78	—	0.71	—	1.81
Lamont	0.1	Aug. 1	0.7	0.1	0.7
A. Monk	3.46	Aug. 5	3.03	4.71	4.28
Rediffusion	3.42	July 28	3.03	4.28	3.9
St. James	1.5	Oct. 3	1.51	1.95	1.95
Scapa Group	2.45	Aug. 19	2.26	4.35	3.92
John Swan	19.5	—	17.73	19.3	17.73
Vaux Breweries	2nd int. 6.03	—	10.13	—	14.03

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or acquisition issues. ‡For 17 month period.

There did not seem to be any real recovery in the paper trade. They now state that trading conditions in the first quarter of the current year show improvement. A net final dividend of 0.5p per 25p share lifts the total to 0.75p (0.25p).

The directors say that every turn-around improved on its previous year's performance. The most pronounced increase achieved was in the manufacturing division they add but the travel division and Western Fuel Company had particularly good years. The freight division loss was reduced considerably. Higher interest charges were offset by lower central administrative and management costs, they say.

Rediffusion slips in second half

PROFIT OF Rediffusion fell from £9.59m. to £9.04m. in the second half of 1976-77 leaving the total revenue and the remainder against capital. An amount of £83,750 was transferred to the revenue account from the provision for deferred repairs.

At June 30, 1977, Co-operative Insurance Society held 10 per cent. interest, Samuel Sebba 14.56 per cent. and Mrs. B. Sebba 10.1 per cent.

The refurbishment, modernisation and improvement of existing properties is continuing in the current year at considerable expense. The success of this policy has been proved by substantial new lettings and increased rentals at a difficult time for the property market generally. It is the company's policy to improve the terms under which its properties are held whenever there are suitable opportunities and some progress has been made in this direction.

Recovery continues at Renwick

AFTER A turnaround from a loss of £196,000 to a profit of £136,000 at halfway, motor distributors, Renwick Group, advanced in the second half and finished the year to April 2, 1977 with pre-tax profits of £477,000 compared with a loss of £559,000.

The directors say that every turn-around improved on its previous year's performance. The most pronounced increase achieved was in the manufacturing division they add but the travel division and Western Fuel Company had particularly good years. The freight division loss was reduced considerably. Higher interest charges were offset by lower central administrative and management costs, they say.

A. Monk advances to peak £2.28m.

AFTER A midway advance from £240,000 to £319,000, civil engineers and building contractors A. Monk and Company finished the year to March 31, 1977 with pre-tax profits of £2.28m. compared with £1.11m. including net interest received of £346,000 against £59,000.

Earnings per 25p are stated as 1.9p against a loss of 8.5p. As last year there is no dividend, but the directors have resumed payments in the current financial year. Last dividend paid was 1.76p net for 1975.

R. Paterson comes back strongly

DESPITE pre-tax profits being behind from £241,948 to £27,483 at halfway the directors of R. Paterson and Sons expressed confidence that things would pick up in the second half and this has proved to be well founded with the figure for the full year finishing in front from £433,000 to £458,000.

Earnings per 25p share for the year under review advanced from 2.85p to 3.46p and a final dividend of 2.2825p net—there was no interim—lifts the total payment from 2.07p.

Eastern Produce confident

Mr. H. K. Fitzgerald, chairman of Eastern Produce (Holdings) says in his annual statement that if the tea and coffee price increases are maintained then the company will achieve an exceptionally favourable result for 1977.

As reported on June 1, 1977, pre-tax profit for 1976 rose from £1.63m. to a record £2.38m. There is no dividend.

The chairman adds that with tea consumption increasing world wide, the prospects for the company's plantations remain excellent.

French Kier loan plan put to Government

MR. J. C. MOTT, chairman of French Kier Holdings, revealed at the annual meeting that negotiations with the Department of Transport concerning the repayment of the £1.5m. convertible loan had now reached a stage at which positive proposals had been submitted for Treasury approval.

If ratification is received, the effect could be to remove conversion rights attaching to the loan and permit the early repayment in part or in whole, from time to time.

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Continental & Industrial earns more

Total revenue of Continental and Industrial Trust for the year ended May 31, 1977, rose from £1.88m. to £2.22m. and net revenue before tax advanced from £1.48m. to £1.67m.

Earnings per 25p share are stated as 8.5p (5.12p) and a final net dividend of 3.75p lifts the total to 5.75p (5p).

Eastern Produce confident

Mr. H. K. Fitzgerald, chairman of Eastern Produce (Holdings) says in his annual statement that if the tea and coffee price increases are maintained then the company will achieve an exceptionally favourable result for 1977.

As reported on June 1, 1977, pre-tax profit for 1976 rose from £1.63m. to a record £2.38m. There is no dividend.

Premier Cons. improves to £204,420

On turnover up from £1.53m. to £1.71m., pre-tax profits of Premier Cons. improved to £204,420 for the year ended March 31, 1977, compared with £189,236, which included an exceptional credit of £75,000.

The chairman adds that with tea consumption increasing world wide, the prospects for the company's plantations remain excellent.

Dundonian is well placed for growth

For the present the directors of Dundonian consider that existing resources and facilities, as increased by the proposed rights issue, leave the company well placed for further growth, says Mr. Max Lewinson, chairman.

He expresses confidence that progress will continue in the years ahead as the company consolidates its existing activities and new developments start to make their mark.

E. Austin turns in £302,192

After being behind at halfway from £110,000 to £104,000, E. Austin and Sons (London) finished the year to March 31, 1977, with pre-tax profits of £302,192 compared with £274,307.

Earnings per 25p share are shown as 13.95p (13.2p) and a final net dividend of 2.3875p makes a total of 3.4515p (3.163p).

Rental income rise expected by Warnford

Rental income should show a satisfactory increase in the current year as a result of leases already completed, Mr. Ross Goobey, chairman of Warnford Investments, says in his annual statement.

It appears that in general, rents are no longer declining and that in some cases rents are now hardening. Also demand has increased recently, particularly for attractive modernised offices, and accommodation in the company's total rental income rose in 1976 it still has empty space available and substantial reversals over the next few years.

J. Cropper returns to profit

Including a surplus of £63,296 on the sale of houses paper manufacturers J. Cropper returns to a profit of £51,907 for the year ended April 2, 1977, compared with a deficit of £0.2m. Sales were up £2.05m. to £8.25m.

The chairman says that the trading position was better since the half year but

Eucalyptus Pulp Mills exceeds £2m.

On sales up from £10.28m. to £12.41m., Eucalyptus Pulp Mills exceeded pre-tax profit by £0.51m. to a record £2.15m. in 1976. A half-year profit was £1.6m. against £1.21m.

The recession in the world markets for pulp continues and there are no signs of immediate recovery. Shipments during the first half of the current year will be lower, and this is bound to have an adverse effect on half-year profit, says Sir John Colville, chairman.

Results due next week

Next week's company news list is surprisingly brief for the time of the year but there are still several names which stand out. These include Standard Chartered Bank, J. Lyons, Laed Securities and SGB Group.

Following the recent failure of its £50m. bid for the Bank of California, Standard Chartered's preliminary statement on Tuesday may attract even more interest than usual, but the figures themselves are unlikely to set the market alight.

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Following the recent failure of its £50m. bid for the Bank of California, Standard Chartered's preliminary statement on Tuesday may attract even more interest than usual, but the figures themselves are unlikely to set the market alight.

RESULTS AND ACCOUNTS IN BRIEF

Company	Announced	Last year	This year
Standard Chartered Bank	Tuesday 6.75	3.0	7.0
West and Stopped	Thursday 0.5	1.7300	0.53
Wilson	Thursday 0.25075	1.0281	0.2575

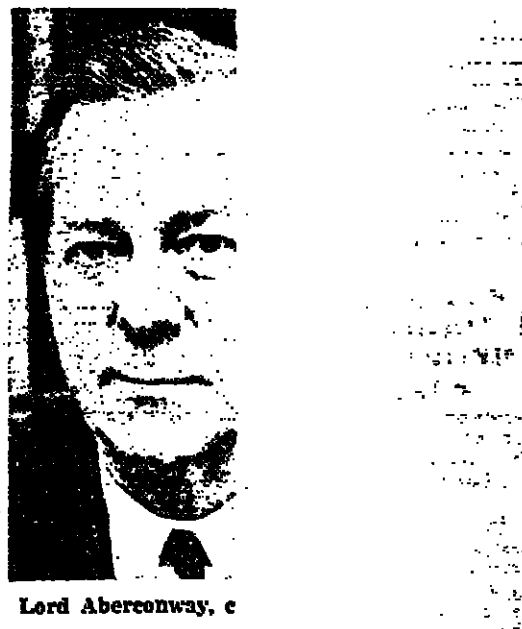
RESULTS AND ACCOUNTS IN BRIEF

Company	Announced	Last year	This year
Belt Bros.	Wednesday 0.2543	0.3005	—
Chewy	Wednesday 0.36	1.73	—
Chewy Securities	Wednesday 0.25	—	—
Crest Nicholson	Thursday 0.7	2.28	—
Went and Stopped	Thursday 0.5	1.7300	0.53
Wilson	Thursday 0.25075	1.0281	0.2575

John Brown tops bids for £10m. as forecast branches

AS FORECAST in January taxable profit of John Brown and Co. for the year to March 31, 1977, jumps to £17.7m. from £17.1m. of £13.5m. — more than double the previous record of £5.21m. achieved in 1968-70. Sales expanded from £188.4m. to £214.7m.

Orders on hand at year end were £178m. (£184m.) and bank borrowings were cut from £24m. to £8.2m. The directors say they expect an improved profit in the current year given reasonable economic order. They also report that agreement had been reached to sell A. C. Wickman (Canada) for some £23m.



Lord Abernethy, Chairman of John Brown and Co.

Vaux ahead to £5.2m. —£30m. spending plan

Taxable profit of Vaux Breweries advanced 16.8 per cent. to £5.2m. on sales ahead from £48.7m. to £58.7m. for the 12 months to April 30, 1977.

Because of a change of a year-end to September 30, 1977, the current accounting period is for 17 months. At this time, the profit was better at £2.81m. against £1.81m.

Swallow Hotels bid to increase profits

Swallow Hotels did not increase profits in 1976-77, but the directors expect a net second interim dividend of 11.23p against 14.02p in 1975-76. The dividend will be marginally reduced to 10.125p for 1975-76 rate is not reduced until controls remain.

Medium term loan facilities

Medium term loan facilities have been arranged with the Finance Corporation for Industry and Morgan Guaranty Trust Co. of New York to cover the capital expenditure programme.

Unemployment remains high in the company's main trading areas, reaching 13.2 per cent. in Sunderland. Summer sales in 1976 were only equivalent to summer 1975, but winter trade was better, Mr. Nicholson says.

UNIT TRUSTS

G. W. Joynsons and Sons, a member of the Incheque Group, is offering investors an introduction to commodity investment, especially in commodity futures, through the launch of a new range of products by Lorimer's Breweries in Scotland, the adverse trend in Scottish sales has been corrected with increased demand for canned beer and a substantial contract for a major supermarket chain.

Joynsons commodity

The portfolio between equity and bond investments has had considerable success since its launch in 1975.

High income funds have been the best sellers in the trust sector for some time. The Schlesinger Extra Income Trust has proved no exception, having raised £5m. in its launch in April, 1976, with income growth by entirely in equities; a bonus is that income quarterly.

SCHLESINGER EXTRA INCOME

The Schlesinger Extra Income Trust has proved no exception, having raised £5m. in its launch in April, 1976, with income growth by entirely in equities; a bonus is that income quarterly.

LAWSON HIGH YIELD

Lawson Securities is offering investors this week-end the Lawson High Yield Fund which offers an estimated 11.8 per cent. gross, with income paid quarterly. The portfolio is split between fixed interest preference shares (45 per cent.) and high-yielding equities (55 per cent.) to provide a high level of starting income with income growth prospects. The minimum investment is £300.

M & G EXCHANGE

The M and G Group is offering investors this week-end the M and G Exchange Special Offer. This is a new portfolio fund which offers an estimated 11.8 per cent. gross, with income paid quarterly. The portfolio is split between fixed interest preference shares (45 per cent.) and high-yielding equities (55 per cent.) to provide a high level of starting income with income growth prospects. The minimum investment is £300.

PHILLIPS PATENTERS

PHILLIPS PATENTERS (HOLDINGS) has announced a profit of £2,821,711 (£2,444,857) for the year ended March 31, 1977, compared with a profit of £2,444,857 (£2,111,111) for 1976.

PHILLIPS PATENTERS

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BIDS AND DEALS

J.K. banks bid for Bancal branches

London Chartered Bank... J.K. banks bid for Bancal branches... open for acceptances until July 5, 1977.

UDT SELLS SCAN OFFSHOOT TO ELECTRONIC RENTALS

Electronic Rentals, which owns Visionaire, is to buy Scan Television Rentals from UDT... UDT SELLS SCAN OFFSHOOT TO ELECTRONIC RENTALS

BOWIE NOW PERFORMING £1M. R COLMORE

Bowie, the motor car dealers, tipped its take-over bid for investment... Bowie, the motor car dealers, tipped its take-over bid for investment

Fox's yes to Northern Foods' revised bid

Board of Fox's Biscuits has agreed to terms with its major bidder Northern Foods... Fox's yes to Northern Foods' revised bid

SWEDISH GROUP GAINS CONTROL OF DOLAN

ASSI of Sweden and its advisers Hambros Bank yesterday gained control of Dolan Packaging... SWEDISH GROUP GAINS CONTROL OF DOLAN

RINTHIAN'S 4M. U.S. AL WITH SEARS

Rinthian Holdings and its 70 per cent subsidiary Tartan... RINTHIAN'S 4M. U.S. AL WITH SEARS

ROLLS' BID FOR FODEN CLEARED

Rolls-Royce Motors' bid for Foden, the specialist commercial vehicle manufacturer, which was increased to £11m... ROLLS' BID FOR FODEN CLEARED

ASSOCIATES DEALS

De Costa and Co. 32.5p all of discretionary investments... ASSOCIATES DEALS

SINGLO PURBECK

Purbeck Group has sold 23,000 Single Holdings 10 per cent... SINGLO PURBECK

THORNBERG

The offer by Peatos for all the outstanding capital of Thornbergs... THORNBERG

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Speculation in actual and potential bids and merger situations provided the bulk of a very small turnover in stock markets during the week... Take-over bids and mergers

On the same day, Dunell Steels announced a £5.7m. cash and shares offer for Newman's Tubes... Dunell Steels announcement

Having received acceptances of only 2.93 per cent. of the Ordinary and 0.004 per cent. of the Preference shares... Having received acceptances

After last week's announcement that L. Lypton, fork-lift truck specialist, was in bid talks with an unnamed concern... After last week's announcement

Having earlier in the week announced acceptances of nearly 86 per cent. to its offer for AVP Industries... Having earlier in the week

of the bid to July 5, Louho later declared the offer unconditional in all respects and has extended it until further notice... of the bid to July 5

Acceptances on June 21 to the offer for Tebbitt Group on behalf of clients of Rowe Rudd amounted to only 23,208 shares, or 0.008 per cent... Acceptances on June 21

Table with columns: Company bid for, Value of bid per share, Market price, Price before bid, Value before bid, Bidder, Final acceptance date

PRELIMINARY RESULTS

Table with columns: Company, Year to, Pre-tax profit (£000), Earnings* per share (p), Dividends* per share (p)

INTERIM STATEMENTS

Table with columns: Company, Half-year to, Pre-tax profit (£000), Interim dividends* per share (p)

Offers for sale, placings and introductions

Agricultural Mortgage Corporation: £1m. of 12 1/2 per cent. Bonds dated June, 1980, at par... Offers for sale, placings and introductions

Rights Issues

William Baird: One-for-five at 108p. MY Dart: One-for-seven at 36p. Duplex International: One-for-three at 50p... Rights Issues

Scrip Issues

British Steam Specialties: One-for-ten. Racal Electronics: One-for-one... Scrip Issues

Lamont Hldgs. in profit second half

With a taxable profit of £35,939 against a loss of £94,354 in the second half, Lamont Holdings ended 1976 with a deficit reduced from £52,517 to £18,788... Lamont Hldgs. in profit second half

Aberdeen Construction profit warning

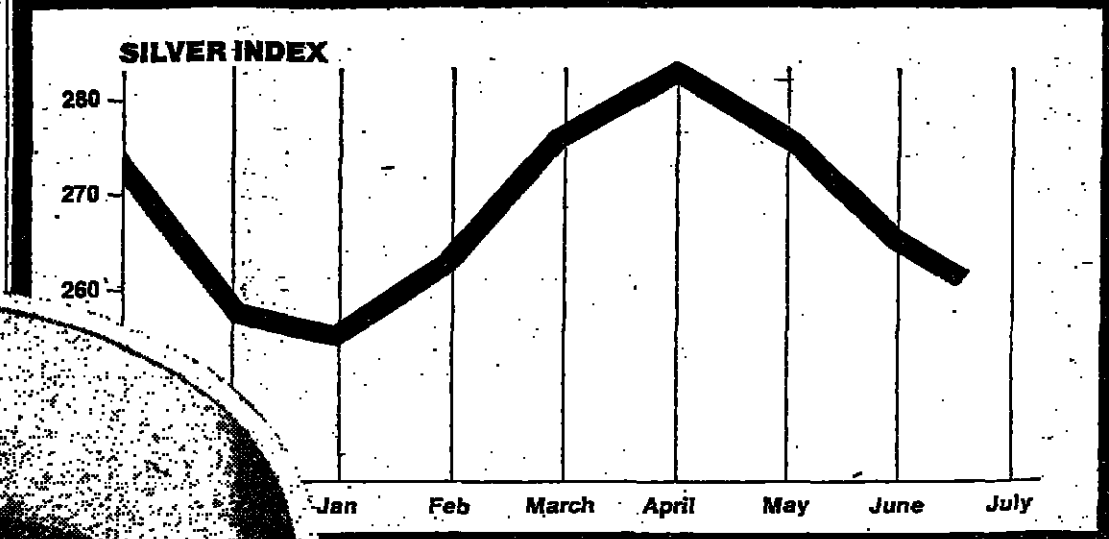
Mr. William Tinch, chairman of Aberdeen Construction Group, told holders at the annual meeting that while it was impossible to forecast profits in the industry with any accuracy... Aberdeen Construction profit warning

Grange Trust improves at midway

Revenue of Grange Trust received for the six months to May 31, 1977, amounted to £165,590 compared with £153,500... Grange Trust improves at midway

SPECIAL OFFER TO INVESTORS WITH SHARES WORTH £2,500 OR MORE

Advertisement for M&G Share Exchange Plan Special Offer, including details of the offer and contact information.



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WALL STREET + OVERSEAS MARKETS + LATEST PRICES

Index up 4 in active trading

BY OUR WALL STREET CORRESPONDENT

MODERATELY HIGHER levels developed across a broad front in active trading on Wall Street to-day, when investors responded favourably to a decline in the Money Supply.

FRIDAY'S ACTIVE STOCKS
Stocks Closing on Friday
Change in price

Trading volume expanded 2.16m. shares to 26,48m. Investors were pleased by the Federal Reserve report of a \$700m. drop in the Money Supply because it meant the Fed could ease monetary policy a notch, reducing pressure on interest rates.

Indices

Table with columns for New York - Dow Jones, Standard and Poors, and various indices. Includes sub-tables for Montreal, Toronto, Johannesburg, and other regional indices.

F.T. CROSSWORD PUZZLE No. 3,414

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4DF.

Crossword puzzle grid with numbers 1-28 indicating starting positions for words.

- ACROSS
1 Just touch and Go (5, 4)
6 Chance of a score at snooker (5)
9 Jur's recommendation to the show jumper (5)
10 Assamese shagging rink shaves indefinitely (4, 2, 3)
11 Points of order (10)
12 Singer born on a ship (4)
14 Attending to exhibit (7)
15 Drink to church unit opposed to (7)
17 ... doctor in case Scots leader worries (7)
18 Local authority heard man at the bar ... (7)
20 ... as well as a symphony orchestra (4)
21 Endure holiday centre tried after repeated failures (4, 6)
22 Exaggerate concerning cast (8)
26 Quick article not recorded (5)
27 Man-about-town on right leaves gatherer (5)
28 Examples to help sky-tripper understand manuscript (9)

SOLUTION AND WINNERS OF PUZZLE No. 3,408
Following are the winners of last Saturday's prize puzzle:
G. C. Counsel, Esq., 15 Arms-Goff Crescent, Gloucester GL2 5DU
Dr. H. D. Cullimore, 1, Langdowne Road, Staines, Middx.
Mrs. M. R. Stacey, 8, Cranbrook Drive, Kennington, Oxford OX1 5RR.

NEW YORK, June 24

L'oreal rose Fr.10 to 750 on a probable dividend increase. Electricals lost ground. Golds were steady, German and Dutch issues easier, U.S. stocks hesitant.

BRUSSELS—Mixed after slow and uneventful trading. Steel mostly higher. Non-Ferrous Metals generally firm. Electricals and Utilities steady. Chemicals mixed, Oils advanced. Holdings lost ground.

AMSTERDAM—Mixed in dull trading, with Dutch International slightly easier. Royal Dutch rose Fr.0.5 to 142.3 on major oil find in the U.K. sector of North Sea.

SPAIN—Closed yesterday—National Holiday. COPENHAGEN—Higher in Sweden—Closed yesterday—Midsummer Eve. moderate dealings.

OSLO—Industrial firms, Insurance and Shipping quiet, Bankings easier. MILAN—Market closed at day's highs in active trading. Leading Industrials rose, as did Insurance and Banks.

VIENNA—Quietly steady. GERMANY—Mostly weaker in quiet trading with the disappointing 1977 results so far by A.G. off DM2.9 at 82.3, and BASF, off DM5.3 at 153.82, contributing to the downward trend.

Table with columns for N.Y.S.E. ALL COMMON, Montreal, Toronto, Johannesburg, and other regional indices. Includes sub-tables for various international markets.

RACING BY DOMINIC WIGAN

Sea Pigeon heading for fourth victory

SOME OF the best two-mile handicappers in the country line up for this afternoon's Joe Coral-supported Northumberland Plate. Provided the weather remains fair, Gosforth Park seems assured of a bumper crowd.

THE CURRACH 3.00
Classic Example*
NEWCASTLE
1.45—Sarcos
2.15—Sea Pigeon
4.50—Marisquet
NEWARKET
1.30—Accelerate
2.30—Fast Bowler
2.38—Chirpita
3.05—File and Drum
3.25—Manor Farm Roy**
4.05—Don Amigo
4.35—Osin

ing was won all his three races this term with authority. Last time out he put up a particularly impressive performance when toying with his rivals under the steady effects of 9 stone 5 pounds in Redcar's Vaux Gold Tankard.

Table with columns for SPAIN, BRAZIL, and other international racing results. Includes names of horses and jockeys.

OVERSEAS SHARE INFORMATION

Large table with columns for NEW YORK, STOCK, and various international share prices. Includes sub-sections for BRUSSELS/LUXEMBOURG, SWITZERLAND, MILAN, COPENHAGEN, AUSTRALIA, TOKYO, AMSTERDAM, COPENHAGEN, STOCKHOLM, BRUSSELS/LUXEMBOURG, SWITZERLAND, MILAN, COPENHAGEN, AUSTRALIA, TOKYO, AMSTERDAM, COPENHAGEN, STOCKHOLM.

Investment premium \$2.60 per £-1191%

Table with columns for CANADA, AUSTRALIA, TOKYO, AMSTERDAM, COPENHAGEN, STOCKHOLM, BRUSSELS/LUXEMBOURG, SWITZERLAND, MILAN, COPENHAGEN, AUSTRALIA, TOKYO, AMSTERDAM, COPENHAGEN, STOCKHOLM.

GERMANY • PARIS

Table with columns for GERMANY and PARIS share prices. Includes sub-sections for BRUSSELS/LUXEMBOURG, SWITZERLAND, MILAN, COPENHAGEN, AUSTRALIA, TOKYO, AMSTERDAM, COPENHAGEN, STOCKHOLM.

BRUSSELS/LUXEMBOURG

Table with columns for BRUSSELS/LUXEMBOURG share prices.

SWITZERLAND • MILAN

Table with columns for SWITZERLAND and MILAN share prices.

AUSTRALIA • TOKYO

Table with columns for AUSTRALIA and TOKYO share prices.

AMSTERDAM • COPENHAGEN

Table with columns for AMSTERDAM and COPENHAGEN share prices.

STOCKHOLM • BRUSSELS/LUXEMBOURG

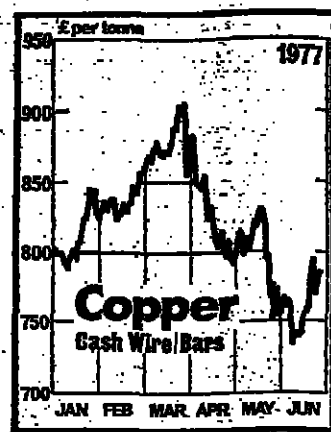
Table with columns for STOCKHOLM and BRUSSELS/LUXEMBOURG share prices.

Vertical text on the right edge of the page, including 'crop fears', 'WANT YOU', 'RUGGERS', 'Bullion', and 'Copper'.

COMMODITIES/Review of the week
Coffee crop fears ease

OUR COMMODITIES STAFF

Wave of frost warnings... Brazil's Parana coffee crop...



however, though the Brazilian Federal Weather Bureau initially played down the danger... The cocoa market had a relatively uneventful week...

Brazilian Commerce Minister... saying that early hopes for a large temporary crop had not been fulfilled...

World sugar prices continued to lose ground this week... In the base metal markets the week's tone was set, once again, by copper...

MARKET REPORTS
BASE METALS

COPPER - A steady buyer on the London Metal Exchange... Forward metal opened higher at \$212 reflecting the loss of overnight U.S. markets...

Table with columns for metal type (Copper, Zinc, Lead, Tin), price, and change. Includes sub-tables for 'COPPER' and 'ZINC'.

Associated Metal Trading reported that in the morning three months wire... Tin - Gained slightly reflecting the rise in the Penang price...

SILVER

Silver was fixed 4.8p an ounce higher for spot delivery in the London market... The price of silver rose to 229.40 U.S. cents...

Table showing Silver prices: Spot, 1 month, 3 months, 6 months, 12 months.

Platinum - Three months 282.50, 6 months 284.50, 12 months 286.50.

Gold - Three months 282.50, 6 months 284.50, 12 months 286.50.

Iron - Three months 282.50, 6 months 284.50, 12 months 286.50.

Steel - Three months 282.50, 6 months 284.50, 12 months 286.50.

Aluminum - Three months 282.50, 6 months 284.50, 12 months 286.50.

Nickel - Three months 282.50, 6 months 284.50, 12 months 286.50.

Cadmium - Three months 282.50, 6 months 284.50, 12 months 286.50.

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Platinum - Three months 282.50, 6 months 284.50, 12 months 286.50.

MEAT/VEGETABLES

MEAT COMMISSION - Average fatstock prices at representative markets June 24... Beef carcasses per cwt. 12.10...

COVENT GARDEN (Prices in sterling) - Imported produce: Oranges - 2.00...

COVENT GARDEN (Prices in sterling) - Imported produce: Apples - 1.50...

COVENT GARDEN (Prices in sterling) - Imported produce: Potatoes - 1.00...

COVENT GARDEN (Prices in sterling) - Imported produce: Onions - 0.80...

COVENT GARDEN (Prices in sterling) - Imported produce: Carrots - 0.60...

COVENT GARDEN (Prices in sterling) - Imported produce: Parsnips - 0.50...

COVENT GARDEN (Prices in sterling) - Imported produce: Turnips - 0.40...

COVENT GARDEN (Prices in sterling) - Imported produce: Cauliflowers - 0.30...

COVENT GARDEN (Prices in sterling) - Imported produce: Broccoli - 0.20...

COVENT GARDEN (Prices in sterling) - Imported produce: Asparagus - 0.10...

COVENT GARDEN (Prices in sterling) - Imported produce: Beans - 0.05...

COVENT GARDEN (Prices in sterling) - Imported produce: Peas - 0.05...

COVENT GARDEN (Prices in sterling) - Imported produce: Corn - 0.05...

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U.S. Markets

NEW YORK, June 24. Cacao - Ghana and Bahia spots up... Cotton - June 24 1977 1.15...

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SOYABEAN MEAL

SOYABEAN MEAL - Prices in sterling... Soyabean meal 100% 1.10...

SOYABEAN MEAL - Prices in sterling... Soyabean meal 90% 1.00...

SOYABEAN MEAL - Prices in sterling... Soyabean meal 80% 0.90...

SOYABEAN MEAL - Prices in sterling... Soyabean meal 70% 0.80...

SOYABEAN MEAL - Prices in sterling... Soyabean meal 60% 0.70...

SOYABEAN MEAL - Prices in sterling... Soyabean meal 50% 0.60...

SOYABEAN MEAL - Prices in sterling... Soyabean meal 40% 0.50...

SOYABEAN MEAL - Prices in sterling... Soyabean meal 30% 0.40...

SOYABEAN MEAL - Prices in sterling... Soyabean meal 20% 0.30...

SOYABEAN MEAL - Prices in sterling... Soyabean meal 10% 0.20...

SOYABEAN MEAL - Prices in sterling... Soyabean meal 0% 0.10...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -10% 0.00...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -20% -0.10...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -30% -0.20...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -40% -0.30...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -50% -0.40...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -60% -0.50...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -70% -0.60...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -80% -0.70...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -90% -0.80...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -100% -0.90...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -110% -1.00...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -120% -1.10...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -130% -1.20...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -140% -1.30...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -150% -1.40...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -160% -1.50...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -170% -1.60...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -180% -1.70...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -190% -1.80...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -200% -1.90...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -210% -2.00...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -220% -2.10...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -230% -2.20...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -240% -2.30...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -250% -2.40...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -260% -2.50...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -270% -2.60...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -280% -2.70...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -290% -2.80...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -300% -2.90...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -310% -3.00...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -320% -3.10...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -330% -3.20...

SOYABEAN MEAL - Prices in sterling... Soyabean meal -340% -3.30...

WEEKLY PRICE CHANGES

Table showing weekly price changes for various commodities like Wheat, Corn, Soybeans, etc. Columns include commodity name, price, and change.

MARKET REPORTS

LEAD - Marginally easier in quiet trading... ZINC - Barely changed following the price fall...

GRAINS

LONDON FUTURES (GAPTA) - Market extremely quiet... WHEAT - Prices in sterling...

WOOL FUTURES

WOOL FUTURES - Prices in pence per kilo... Australian wool...

WE WANT YOUR KRUGERS. If you are a potential seller of Krugers... M.L. Doxford (Bullion) Ltd., 10 St. James's Street, London SW1A 1EP.

ContiCommodity should you speculate? For more information about trading in all Commodity Futures please write or ring: ContiCommodity Services Limited, World Trade Centre, London E1 6AA.

The First Viking Commodity Trusts. Commodity OFFER 37.8, BID 35.9, YIELD 8.9%. Double OFFER 100.0, BID 95.0, YIELD 4.1%.

APPOINTMENTS. Mr. R. Hards, PWC division, and Mr. F. Butler, SHEC and film division, have been appointed to the Board of BRITISH INDUSTRIAL PLASTICS.

Cocoa: a sweet tooth, a statistic or an opportunity? Image of a chocolate bar and a line graph showing the Cocoa Index from March to July.

Table of financial data including company names, share prices, and market indicators. Includes sections for 'LOCAL AUTHORITY BOND TABLE' and 'BUILDING SOCIETY RATES'.

Table of financial data including company names, share prices, and market indicators. Includes sections for 'INSURANCE (121)', 'INVEST TRUSTS (191)', and 'UNIT TRUSTS (9)'.

Table of financial data including company names, share prices, and market indicators. Includes sections for 'PROPERTY (111)', 'GAS (7)', and 'RUBBER (3)'.

Table of financial data including company names, share prices, and market indicators. Includes sections for 'SPECIAL LIST', 'RULE 163 (1) (c)', 'EXCHANGES AND BULLION', 'FOREIGN EXCHANGE', 'EURO-CURRENCY INTEREST RATES', and 'FORWARD RATES'.

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Notes and footnotes providing additional information and disclaimers regarding the data presented in the tables.

Handwritten note: "John H. Jones"

STOCK EXCHANGE REPORT
Technical rally in equities on new Account influences
Index up 4.7 at 449.6—Numerous good features—BP rise

Account Dealing Dates
Option
First Declara- Last Account
Dealings tions Dealings Day
Jun. 13 Jun. 23 Jun. 21 July 5

A small evenly matched trade made no great impact on the investment currency premium which, in the absence of any further covering operations and 39p institutional interest, drifted back to 113 1/4 cent, down 1/4 on the day. Yesterday's SE conversion factor was 0.7095 (0.7124).

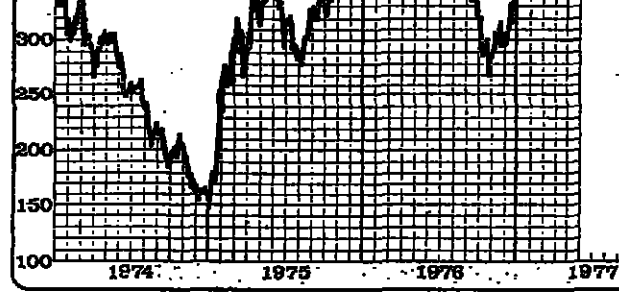
ICI edged higher to close 5 up at 400p. Speculative demand in the same amount to 67p. Of the dull limited market left Allied Colloids 16 to the good at 240p, while British Tar firmed a trade, to 39 1/2 following the preliminary results. Further consideration of the preliminary figures left ATV A 2 dealer at 87p.

International Combustion the late to 170p, down 5, following the claim of control on behalf of the Swedish ASST group. John Waddington came to the fore reflecting Press comment of a dividend-boosting rights issue being in the offing and rose 10 to 133p; the good J. Spear figures were also a helpful influence. Much improved results raised James Cropper 11 to 32 1/2 and Wilson Bros. hardened to a 1977 peak of 23p ahead of the preliminary figures, due next Thursday.

Be Deers were the most actively traded of the South African Financials; the shares eased to 23 1/2p owing to local selling before Cape and U.S. buying left the price only a penny easier at 23 1/2p, although they were still 14 higher over the week, following talk of a possible increase in the price of rough diamonds. Elsewhere in overseas domiciled Financials, Middle Wits receded 10 more to 165p and Johannesburgh advanced 12 to 165 1/2p. Among the London-registered Financials Selection Trust hardened 2 to 43 1/2p on further consideration of the higher profits announced on Tuesday, while Charter Consolidated declined the same amount to 106p; on Wednesday the latter company announced a 15p share takeover bid for B&K Refrigeration.

Australians responded to the further improvement in overnight domestic markets with Pancontinental 2 up at 101p, and F&O Deid. 2 up at 101p. In Tins, Saint Piran rose a penny to 35p following the sharp rise in profits and the increased dividend while the other Cornish producer, Alarco, advanced 15 to 23 1/2p in sympathy. Elsewhere, Canadian buying lifted Northgate 15 to 400p.

De Beers were the most actively traded of the South African Financials; the shares eased to 23 1/2p owing to local selling before Cape and U.S. buying left the price only a penny easier at 23 1/2p, although they were still 14 higher over the week, following talk of a possible increase in the price of rough diamonds. Elsewhere in overseas domiciled Financials, Middle Wits receded 10 more to 165p and Johannesburgh advanced 12 to 165 1/2p. Among the London-registered Financials Selection Trust hardened 2 to 43 1/2p on further consideration of the higher profits announced on Tuesday, while Charter Consolidated declined the same amount to 106p; on Wednesday the latter company announced a 15p share takeover bid for B&K Refrigeration.



British Funds more or less marked time with trade limited mostly to the short end of the market which ended with a wide list of gains ranging to 5/16. In equities, actual and potential special situations again provided scattered areas of interest with the market as a whole continuing to move narrowly albeit at prices a shade harder on the overnight close as opposed to the slightly lower levels ruling the previous day. Up 1.3 at 3 p.m., the FT 30 share index was finally 4.7 up at 449.6. This left a rise on the week of 8.0 and a rise on a mere 0.2 on the Account. Yesterday's late firmness resulted more from technical new Account influences rather than from the appearance of a new Account, as were marking prices higher following scattered tentative enquiries, but buyers were scarce. Rises in FT-quoted equities outnumbered falls by 2 to 1, reversing Thursday's ratio, while the FT-Actuaries three main indices hardened about 1 per cent, with the All-share at 186.72 for a rise on the week of 1.25 per cent. The Electrical sector stood out with a gain on the day of 3.4 per cent, at 334.58 with the help of a rise of 8 to 193p in GEC and another of 10p in preliminary results which are due during the next Account.

Discounts, opening higher in response to the rise in the rate of higher profits and an increased dividend at 135p and closing 8 better on the day at 138p. Gillett Bros., at 196p, consolidated the previous day's rise of 10 caused by a rise in the rate of higher profits and an increased dividend at 135p and closing 8 better on the day at 138p. Gillett Bros., at 196p, consolidated the previous day's rise of 10 caused by a rise in the rate of higher profits and an increased dividend at 135p and closing 8 better on the day at 138p.

Increased terms from Rolls-Royce Motor for Fodens helped interest in the Motor market, although a couple of penny below the value of the new offer, and after meeting with profit-taking closed at 49p, up 1 on balance. Bright & White, better than expected, still on 27p to 197p. Rolls-Royce benefited from some switch-over to 135p. Elsewhere, W. H. Smith & Co. were wanted at 35 1/2p, up 10, and Helios at 30p, up 10, to a year's peak of 13p. Wharf & Wilk Furnishers, however, were a dull spot on the lower profits (despite a second-half recovery) and lost 4 to 21p.

John Brown's preliminary results disappointed some optimists, and a reaction from 217p and 209p followed before an unchanged close of 215p. Other leading Engineering improved late with Hawker bounding 20 in a thin market to 85p. Tube Investments, however, declined 3 to 86p, the leaders were better late, Lucas gaining 5 to 29 1/2p, while Dunlop improved a penny to 10 1/2p. Elsewhere in Motor, Tragar Hough were added to list of possible bidders for Beaverbrook, and A3 shares traded 2 1/2 to 95p while West of Scotland rose 1 1/2 to 28 1/2p and New International remained at 17 1/2p. Elsewhere, DeLan Packaging 1 eased

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FINANCIAL TIMES STOCK INDICES
Table with columns for various indices and their values over time.

HIGHS AND LOWS
Table listing high and low values for various stocks.

ACTIVE STOCKS ON THE WEEK
Table showing active stocks and their performance over the week.

YESTERDAY
Table showing stock performance from the previous day.

RISES AND FALLS
Table showing the number of stocks that rose or fell.

Short Gilts improve
The expected tightening in money through the call of funds for the British Petroleum share sale failed to keep the gilt steady upward movement in short-dated British Funds. Views that this end of the market was looking relatively cheap encouraged a demand which, although not large, brought prices up to 90p in common with the other leaders Distillers ended firmly at 14 1/2p, up 3. Fresh scattered interest was shown in Buildings. Renewed demand ahead of next Tuesday's interim results left SGE up 4 more at 100p. Burnett and Hallamshire were supported and put on 6 to 12 1/2p, while Rainbridge improved 3 1/2p and Marley 2 to 10 1/2p. Jennings continued firm and gained 5 more to 94p. Blundell-Permelegue, interim due Wednesday, gained 2 further to 35p. Tunnel B also improved 2, to 5 1/2p. Sales-Sears encountered occasional selling and eased 3 to 280p.

Pliessey rose 4 to 85p, while EMI improved 3 to 22 1/2p and Thorn 2 to 29 1/2p. After having been temporarily suspended, dealings resumed in Reynolds Parsons and Clarke Chapman, which closed at 18 1/2p, down 5, and 17 1/2p, up 3, after 87p, respectively following news of the proposed merger of the two companies. Bid hopes prompted a fresh gain of 2 to 13 1/2p in AB Electronic. Similar improvements were recorded in Chorior, 10 1/2p, and Ever Ready, 16 1/2p.

Increased terms from Rolls-Royce Motor for Fodens helped interest in the Motor market, although a couple of penny below the value of the new offer, and after meeting with profit-taking closed at 49p, up 1 on balance. Bright & White, better than expected, still on 27p to 197p. Rolls-Royce benefited from some switch-over to 135p. Elsewhere, W. H. Smith & Co. were wanted at 35 1/2p, up 10, and Helios at 30p, up 10, to a year's peak of 13p. Wharf & Wilk Furnishers, however, were a dull spot on the lower profits (despite a second-half recovery) and lost 4 to 21p.

John Brown's preliminary results disappointed some optimists, and a reaction from 217p and 209p followed before an unchanged close of 215p. Other leading Engineering improved late with Hawker bounding 20 in a thin market to 85p. Tube Investments, however, declined 3 to 86p, the leaders were better late, Lucas gaining 5 to 29 1/2p, while Dunlop improved a penny to 10 1/2p. Elsewhere in Motor, Tragar Hough were added to list of possible bidders for Beaverbrook, and A3 shares traded 2 1/2 to 95p while West of Scotland rose 1 1/2 to 28 1/2p and New International remained at 17 1/2p. Elsewhere, DeLan Packaging 1 eased

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NEW HIGHS AND LOWS FOR 1977
Table listing new high and low prices for various stocks in 1977.

RECENT ISSUES
Table listing recent stock issues and their details.

FIXED INTEREST STOCKS
Table listing fixed interest stocks and their values.

RIGHTS OFFERS
Table listing rights offers and their details.

BASE LENDING RATES
Table listing base lending rates for various banks.

OPTIONS TRADED
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DEALING DATES
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MAN OF THE WEEK

Moderate caught up in violence

BY ALAN PIKE

IT WOULD BE difficult to draw a greater human contrast than between some of the more extreme-minded pickets who are clashing daily with police outside the Grunwick laboratories and the man who is leading the strike.

Mr. Roy Grantham, general secretary of the Association of Professional, Executive, Clerical and Computer Staff, is one of the very last national union leaders who could be cast in the image of the tough, aggressive labour boss. The viciousness and violence on the North-West London streets around the Grunwick plant during the past fortnight is as alien to his outlook on life as it is to most of his members — mainly white-collar staff working in office jobs, the engineering industry and elsewhere.

Descriptions like mild-mannered and moderate, which have been applied to Mr. Grantham during the dispute, are made more significant by the fact that he is not always easy to make a virtue of such qualities.

A practising Anglican married to a Roman Catholic, he and his wife take their two daughters aged seven and ten to church regularly "because we believe that is the right way to bring



ROY GRANTHAM Violence alien to his outlook

them up." It is beyond doubt that the moral conviction with which he believes his union is right to fight the Grunwick issue is matched by an equally strong distaste for some of the tactics which he has witnessed on the picket lines.

Mr. Grantham, 50, grew up in Birmingham and lived there until moving to London as a national official of his union in 1963. His early working life, interrupted by a spell in the armed forces as a Bevan boy during the War, was spent in the Civil Service but he became actively involved in full-time union work. The clerical workers union has grown considerably in recent years and soon after becoming general secretary in 1970 he gained a seat on the TUC General Council. But four years later Mr. Grantham, firmly to the Right of the Labour movement, was voted off again, the victim of what he described at the time as the "permanent opposition" of Communists and other Left-wingers.

Although a union of 136,000 members, the structure of the APCEC membership deprives it of the direct industrial thrust of the big manual unions, and much of the time of Mr. Grantham and his fellow officials is spent in the undramatic world of organisation and negotiation rather than on picket lines. From Grantham's view of democratic industrial relations is that differences, however great, can be resolved only around the negotiating table, and his repeated allegation against Mr. George Ward, managing director of Grunwick, is that he has refused to meet the union in meaningful negotiation. It is for this reason that he describes Grunwick as the most difficult dispute with which he has ever had to deal.

The danger now facing Mr. Grantham is that the dispute is getting completely out of his, or anyone's else's control. His appeal to restrict future picket activities has fallen on ears deafened by the sound of battle and has led him into disagreement with his own strike committee at Grunwick.

For more than ten months APCEC has persevered with its efforts to bring the company to negotiations and for most of this time the name Grunwick has meant little outside trade union circles. The mass picket which last year pleaded a means of increasing pressure on the company out of drawing general attention to the dispute, but amid the screaming and fighting the original issues which last year concerned Mr. Grantham that his union must give its full support to a small group of immigrant workers on strike in North-West London were being obscured in calling to public attention.

Credit Suisse concedes warnings went unheeded

BY JOHN WICKS AND NICHOLAS COLCHESTER

CLEAR WARNINGS given to the top management of Credit Suisse about the business of the bank's Chiasso branch were not sufficiently heeded, director Peter Schmidheiny conceded today.

He was speaking at an extraordinary general meeting called to tell shareholders of the scandal involving the branch through which Sw.Frs.2.7bn. of clients' fiduciary funds were channelled to a Liechtenstein holding company, Texon-Finanzanstalt, instead of being invested in the Euro market.

Herr Schmidheiny said that a special inquiry commission set up by the bank's Board had determined, on evidence supplied by the public prosecutor's office of the Swiss district of Sottoceneri, that responsibility for criminal offences "does not extend to head office."

Nevertheless, a clear pointer to irregularities at Chiasso had been given to the competent member of the bank's general management as early as January 1975, Herr Philip de Weck, chairman of the Union Bank of Switzerland. In April of the same year the then-chairman of

Credit Suisse, Herr Felix W. Schulthess, had been cautioned by Dr. Alfred Schaefer, former UBS chairman.

Herr Schulthess, who has since given up the title of honorary chairman of Credit Suisse, should have taken more resolute action, says the commission's report.

With regard to Herr Schulthess, Dr. Heinz Wuffli—who resigned as president of the bank's general management on May 10—and Sergio Demieville—who resigned as deputy general manager on the same day—the commission says it cannot decide whether more resolute action at the right time would have brought the matter to light but it believes that Mr. Demieville should have been more inquisitive as the person directly responsible for the net worth of Texon.

Dr. Oswald Aepli, the chairman of Credit Suisse, gave shareholders no estimate of the final cost of the affair to Credit Suisse because, he explained, it was still impossible to calculate the net worth of Texon.

After repayments to bona-fide clients Credit Suisse will have remaining claims on Texon of Sw.Frs.1.7bn. (of which the

bank has already written off Sw.Frs.100m, as being irretrievable). This sum is smaller than the Sw.Frs.2.17bn. put into Texon by the Chiasso branch because of repayments to Credit Suisse by Texon in the meantime.

The remaining debt compares with a book value for Texon's assets of Sw.Frs.1.75bn. These assets were, claimed the chairman, "pledged" to the bank, although he did not make clear how.

The assets were, said the chairman, "undoubtedly overvalued." They consisted of Sw.Frs.1.25bn. of participations in other companies, including long-term advances to affiliates, and Sw.Frs.507m. of receivables, some of which, he said, were of "dubious nature."

In his explanation to 4,500 assembled shareholders of the Chiasso affair had come about the chairman heaped blame on the former management of the Chiasso branch and on a firm of participations in other companies, including long-term advances to affiliates, and Sw.Frs.507m. of receivables, some of which, he said, were of "dubious nature."

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THE LEX COLUMN North-East urge to merge

ZURICH, June 24

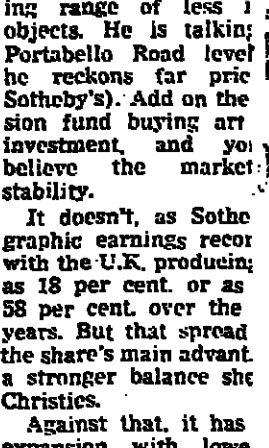
It is baffling that two large engineering groups like Clarke Chapman and Reyrolle Parsons should seek to justify a full merger on such flimsy grounds as that their products are in some areas complementary and that overseas marketing could be "unified." It is equally inexplicable that they should expect their shareholders to agree terms while both companies—and more especially Reyrolle—are in the thick of the battle over the future of the power-plant industry. Only two months ago Clarke Chapman was going out of its way in its preliminary results statement to emphasise that 80 per cent of its turnover was outside U.K. power stations; now it could be increasing its exposure again.

One explanation for yesterday's proposal is that it represents an old-style defensive merger. Two companies operating largely in the North-East—which share the same chairman—could easily see this as an attractive form of protection against the Government and the larger groups—like GEC, Babcock and even, perhaps, Hawker Siddeley—which are moving around. Shareholders are up as likely to feel as enthusiastic about a more positive tack, it is possible that the two companies feel that a joint operation might be better placed to steal the long-delayed Drax "B" order.

But this is a murky area, and it is rarely a good idea to devise long term solutions to short term problems.

As for the terms, the market capitalisations have been conveniently close at around £25m. each, allowing the opportunity for a cosy 50-50 merger basis. Superficially such a deal would be slightly more favourable to Clarke Chapman in its immediate financial impact, for Reyrolle's profits were twice as high in 1976, and its book net worth is about a third larger; Clarke's share price rose 3p to 84p on the news, Reyrolle's fell a little. But given the political pressures and the need (in a scheme of arrangement) for 75 per cent approval by shareholders the success of the merger is anything but a foregone conclusion.

Index rose 4.7 to 449.6



Sotheby's, talks of the socialisation of the stepping up the value of its objects. He is talking Portobello Road level he reckons far price Sotheby's). Add on the ston fund buying an investment and you believe the market stability.

It doesn't as Sotheby's graphic earnings record with the U.K. producing as 18 per cent, or as 58 per cent, over the years. But that spread the share's main advantage a stronger balance sheet.

Against that, it has expansion with lower ability so far. But a rise to 34 per cent, gives a formidable market margin. It looks as directors and employee stock, plus Rothschild investment Trust (which has plenty on its 20 per cent ment, reducing to 10 per cent, has made sure that a price produces a premium of 10 per cent, if to charge buyers when they get through a couple of years if there is to be no revival, this offer needs a convincing success.

Two shipyard groups set for £2m. compensation

BY ROY ROGERS, SHIPPING CORRESPONDENT

COMPENSATION TOTALLING almost £2m. for shareholders in two of the shipbuilding companies being nationalised under the Aircraft and Shipbuilding Industries Act, has been announced by the Government.

According to Mr. Gerald Kaufman, the Industry Minister, shareholders in Robb Caledon and John G. Kincaid will be eligible for payment from July 1 following day for British Shipbuilders.

But compensation terms for the remaining shipbuilding companies being nationalised may take some time to settle and arbitration is expected in some cases.

Robb Caledon and Kincaid are the only two companies for

which compensation can easily be calculated on the Government's formula based on Stock Exchange quotations in the six months ended February 28 1974.

The others are either not quoted or are part of larger groups with considerable interests outside shipbuilding.

Mr. Kaufman said yesterday that compensation of £1,354,432 would be paid for the 530 Ordinary shares in Robb Caledon shipbuilders of Aberdeen and Leith at a price of 99.333p per share.

In addition £375,000 would be paid for the 10 per cent cumulative redeemable preference shares in the same company, at £1 a share.

Holders of the 42 per cent cumulative preference shares in John G. Kincaid, marine engine builders of Greenock, would receive a total of £17,694, at a price of 33.5p per share.

Further talks will be held between the Department of Industry and Kincaid representatives on the level of compensation for Kincaid's unquoted Ordinary shares.

Compensation will be by way of Government stock, details of which are expected from the Bank of England possibly next week. In cases where negotiations look like being protracted there is provision under the Act for some compensation to be paid on account.

Uranium 'price too high'

By David Fishlock, Science Editor

THE PRICE OF uranium is too high in relation to producers' costs, according to Dr. Heinrich Mandel, the new chairman of the Uranium Institute.

Dr. Mandel, who is a director of Rheinisch-Westfälisches Elektrizitätswerk, West Germany's biggest electrical utility, is the first uranium consumer to be chairman of the institute.

He said in London yesterday he believed the institute should help the uranium industry to establish the stable development of prices in relation to production costs.

A fair price for uranium for delivery in the 1980s would be about \$30 (£17) a pound, compared with \$40-50 now being quoted.

He had been inflamed by over-reaction on the part of the producers to an earlier situation when they were making "tremendous losses."

An important factor for price stability could be the stockpiling of uranium by consumers, with utilities building stockpiles of about two years' requirements.

His own company had already started to build such a stockpile. Uranium consumers had made mistakes by falling in times of surplus to build questions about the industry's investment needs for exploration. Page 18

Trafalgar House new 'favourite' to take over Beaverbrook group

BY MAX WILKINSON

BEAVERBROOK EXECUTIVES He is now waiting anxiously to see what terms may emerge from Trafalgar House, owner of the Ritz Hotel and Cunard.

He said yesterday he might make a further bid if the Trafalgar offer was unsatisfactory.

The two other contenders, News International and Associated Newspapers, were waiting in the wings yesterday. Beaverbrook is not expecting any firm developments until next week.

Margaret Reid writes: Sir James Goldsmith indicated yesterday that he would support a bid proposition from Trafalgar House which was better than his own terms, was fair to all shareholders and would ensure vigorous development for Beaverbrook. But a bid by his own interests would be a possibility, if an offer from Trafalgar House was too low.

It is clear that a key issue over any offer from Trafalgar House will be the relationship between the bids for the voting shares and for the much larger non-voting "A" shares.

Yesterday, the Ordinary shares jumped 55p to 300p, while the "A" were 21p up at 39p.

Sir James is known to feel that a price for the "A" of only around a fifth of that for the Ordinary would be grossly inadequate and unacceptable. He would probably challenge such terms in all available ways.

Waiting

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OECD States to aim for 5% average growth next year

BY REGINALD DALE

THE WESTERN industrialised countries have agreed to stick to their target of 5 per cent average growth next year and to keep a closer watch on their efforts to keep the world economy on a path of sustained expansion without sparking off renewed inflation.

Most Ministers at the two-day meeting of the Organisation for Economic Co-operation and Development that ended here tonight failed to elicit specific new commitments from Germany and Japan to further boost their economies—in spite of considerable political pressure.

But the surplus countries agreed in the final communiqué to aim for "a sustained expansion of domestic demand" and allow their currencies to appreciate and their balance of payments an current accounts to deteriorate.

As the dollar fell on the foreign exchange markets, in apparent reaction to this section of the communiqué, Mr. Michael Blumenthal, the U.S. Secretary of the Treasury, reaffirmed his confidence in the soundness of the American economy.

The U.S. had never intended to run a current account deficit for long, he said.

The Ministers again renewed their 1974 trade pledge to renounce unilateral protectionist action—although Spain reserved its position and New Zealand complained at agricultural protectionism by other OECD members.

Herr Otto Schlecht, State Sec-

etary at the German Economics Ministry, admitted that his country was falling behind its target for the past five years of the decade. But the rate expected for this year, on year, was barely 4 per cent.

In a bid to strengthen monitoring procedures, the Ministers agreed to state their preliminary output, demand and economic policy objectives for next year to the Secretariat to see if they were consistent. A suggestion that Ministers should reconvene in the autumn to continue the monitoring process was rejected.

Mr. Phillip Lynch, the Australian Treasurer and chairman of the meeting, welcomed the agreement to communicate objectives to Paris for the first time. These would serve as "bench marks" for next year's States' performance throughout next year, he said.

Acknowledging U.S. reluctance to back the proposed £25bn. "safety net" for OECD members in balance of payments difficulties, the communiqué could say no more than that "many Ministers" had expressed their support for the idea.

The U.S. still prefers the proposed International Monetary Fund "Witteveen facility," which would be available to all countries.

Dr. Johannes Witteveen, the IMF managing director, told today's meeting he was still confident of raising up to possibly \$10bn. for his scheme—against the \$16bn. he had originally sought.

Pay norm plea, Page 12

Weather

UK TO-DAY
CLOUDY with sunny intervals and periods of rain in most areas.

London, S.E. England, E. Anglia, N.E. England and E. Midlands. Cloudy with bright intervals, rain later. Wind S.W., light. Max. 18C (64F).

S.W. and N.W. England, W. Midlands, Channel Islands, Dorset, Devon, Berkshire, Edinburgh, and Dundee.

Aberdeen
Cloudy with hill fog. Rain at first, becoming brighter. Wind S.W., moderate. Max. 18C (64F).

Ile of Man, N.W. Scotland, Glasgow, C. Highlands, Moray Firth, Argyll
Rather cloudy with bright intervals. Wind W. Max. 16C (61F).

Outlook: Mostly dry with sunny intervals and outbreaks of rain later.

Pollen count yesterday was 86 (high) and forecast was higher.

BUSINESS CENTRES

	Ytd %	30-day %	Ytd %
Alexandria	23	28	20
Amsterdam	18	18	22
Antwerp	18	18	22
Bahia	18	18	22
Barcelona	18	18	22
Bombay	18	18	22
Buenos Aires	18	18	22
Cairo	18	18	22
Colon	18	18	22
Hankow	18	18	22
Hong Kong	18	18	22
London	18	18	22
Lyons	18	18	22
Manila	18	18	22
Medan	18	18	22
Montevideo	18	18	22
Mumbai	18	18	22
Nairobi	18	18	22
Osaka	18	18	22
Paris	18	18	22
Rangoon	18	18	22
Singapore	18	18	22
Sourabaya	18	18	22
Taipei	18	18	22
Tokyo	18	18	22
Yokohama	18	18	22

HOLIDAY RESORTS

	Ytd %	30-day %	Ytd %
Algeria	23	28	20
Amsterdam	18	18	22
Antwerp	18	18	22
Bahia	18	18	22
Barcelona	18	18	22
Bombay	18	18	22
Buenos Aires	18	18	22
Cairo	18	18	22
Colon	18	18	22
Hankow	18	18	22
Hong Kong	18	18	22
London	18	18	22
Lyons	18	18	22
Manila	18	18	22
Medan	18	18	22
Montevideo	18	18	22
Mumbai	18	18	22
Nairobi	18	18	22
Osaka	18	18	22
Paris	18	18	22
Rangoon	18	18	22
Singapore	18	18	22
Sourabaya	18	18	22
Taipei	18	18	22
Tokyo	18	18	22
Yokohama	18	18	22

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£1000	£112	£28	11.2
£500	£56	£14	11.2

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